

**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**

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.

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"

An eligible member may elect to participate in the DROP for a period not to exceed a maximum of 60 calendar months, provided that the member elects to participate in 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.

Alimony, Child Support, and Property Distribution

Under state law and local ordinance, this Plan is exempt from claims of creditors. The only exception is a court award of child support or alimony. Under Florida law there is a specific exemption permitting these payments to be made from the Plan. Florida law does not permit direct payment of property settlement rights. A former spouse cannot receive a benefit until the member retires and starts receiving benefits from the Plan.

Effective January 1, 2019, changes in federal tax laws have eliminated tax deductions for alimony if a marriage was dissolved or a property settlement agreement was made on or after January 1, 2019. Modifications to existing order or agreements on or after January 1, 2019, may be tax deductible if both parties agree.

In a divorce proceeding, a court can order a member to pay a portion of benefits to a spouse once that benefit is received. If the pension benefit is being divided as an equitable distribution of property, a special order must be entered by the Court with payments from the Plan to a joint account in the name of the member and former spouse. The Plan is not subject to qualified domestic relations orders (QDRO's).

Members are encouraged to submit draft copies of divorce orders to the Board for review, prior to entry of a final divorce decree. In the event that an order requires correction for failure to comply with the terms of the Plan, fees and costs incurred by the Plan shall be reimbursed by the member.

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: 10/1/2019

Employee group(s) covered: General
Plan Status: Active **Date prepared:** 1/14/2021

Number of plan participants:		440		GASB 67 Reporting	
Actuarial Value of Plan Assets (AVA):	\$69,269,755	Discount Rate	7.00%		
Actuarial Accrued Liability (AAL):	\$76,770,771	Total Pension Liability	83,621,418		
Unfunded Accrued Liability (UAL):	\$7,501,016	Market Value of Plan Assets	79,433,722		
Market Value of Plan Assets (MVA):	\$79,635,741	Net Pension Liability	4,187,696		
MVA Funded Ratio (5-year history):		GASB 67 Funded Ratio	94.99%		
		Averages for all plans with 2019 current actuarial valuation date			
Current valuation	103.73%		86.62%	*	
1 year prior	102.34%		88.75%	*	
2 years prior	97.64%		85.83%	*	
3 years prior	89.54%		82.35%	*	
4 years prior	98.78%		82.16%	*	
Rate of Actuarial Value, Actual (2019 Plan Year)	6.65%		7.12%		
Return: Market Value, Actual	5.75%		3.94%		
	Assumed	7.50%	7.19%		
Funding requirement as percentage of payroll:	21.34%		59.70%	**	
Percentage of payroll contributed by employee:	2.77%		6.47%	**	
Funding requirement as dollar amount:	4,036,113		N/A		

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%	82,049,326	79,635,741	2,413,585	28.94	5,048,677	26.69
112.664(1)(b)	5.00%	109,999,939	79,635,741	30,364,198	21.78	10,023,547	52.99
Valuation Basis	7.00%	N/A	N/A	N/A	32.45	4,036,113	21.34

Link to annual financial statements: <https://frs.fl.gov/forms/LOC5340180PDF10012019N1.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

Plan Status:	Active, Closed (closed to new entrants) and Frozen (closed to new entrants and no further benefit accruals)
Actuarial Value of Plan Assets (AVA):	Assets calculated under an asset valuation method smoothing the effects of volatility in market value of assets. Used to determine employer contribution.
Actuarial Accrued Liability (AAL):	Portion of Present Value of Fully Projected Benefits attributable to service credit earned as of the current actuarial valuation date.
Unfunded Accrued Liability (UAL):	The difference between the actuarial accrued liability and the actuarial value of assets accumulated to finance the obligation.
Market Value of Plan Assets (MVA):	The fair market value of assets, including DROP accounts.
MVA Funded Ratio:	Market Value of Plan Assets divided by Actuarial Accrued Liability (GASB)
Rate of Return (Assumed):	Assumed long-term rate of return on the pension fund assets.
Funding requirement as percentage of payroll:	Total Required Contribution (employer and employee) divided by total payroll of active participants. No interest adjustment is included.
Funding requirement as dollar amount:	Total Required Contribution (employer and employee). No interest adjustment is included.
AFC:	Average Final Compensation or some variant of compensation (e.g., AME [Average Monthly Earnings], FAC [Final Average Compensation], FMC [Final Monthly Compensation] etc.)
SC:	Service Credit

Section 112.664 – Glossary of Terms

Florida Statute Chapter:	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.
Discount Rate:	Rate used to discount the liabilities. Typically the same as assumed rate of return on assets.
Total Pension Liability:	Actuarial Accrued Liability measured using the appropriate assumptions as specified above and the Traditional Individual Entry Age Normal Cost
Net Pension Liability:	Total Pension Liability minus Market Value of Plan Assets.
Years assets sustain benefit payments:	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.
Total Dollar Contribution:	Required contribution from all sources (i.e., employee and sponsor). Contribution will vary based on the Florida Statute Chapter assumption.
Total % of Pay Contribution:	Total Dollar Contribution divided by total payroll of active participants
Annual financial statements:	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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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.

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.

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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.

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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"

An eligible member may elect to participate in the DROP for a period not to exceed a maximum of 60 calendar months, provided that the member elects to participate in 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;
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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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Alimony, Child Support, and Property Distribution

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Members are encouraged to submit draft copies of divorce orders to the Board for review, prior to entry of a final divorce decree. In the event that an order requires correction for failure to comply with the terms of the Plan, fees and costs incurred by the Plan shall be reimbursed by the member.

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
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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
2. A description of the relevant provisions of collective bargaining agreement

City/District Name: Davie - General & Mgmt
Current actuarial valuation date: 10/1/2019

Employee group(s) covered: General
Plan Status: Active **Date prepared:** 1/14/2021

Number of plan participants:		GASB 67 Reporting	
Actuarial Value of Plan Assets (AVA):	\$69,269,755	Discount Rate	7.00%
Actuarial Accrued Liability (AAL):	\$76,770,771	Total Pension Liability	83,621,418
Unfunded Accrued Liability (UAL):	\$7,501,016	Market Value of Plan Assets	79,433,722
Market Value of Plan Assets (MVA):	\$79,635,741	Net Pension Liability	4,187,696
MVA Funded Ratio (5-year history):		GASB 67 Funded Ratio	94.99%
		Averages for all plans with 2019 current actuarial valuation date	
Current valuation	103.73%	86.62%	*
1 year prior	102.34%	88.75%	*
2 years prior	97.64%	85.83%	*
3 years prior	89.54%	82.35%	*
4 years prior	98.78%	82.16%	*
Rate of Actuarial Value, Actual (2019 Plan Year)	6.65%	7.12%	
Return: Market Value, Actual	5.75%	3.94%	
Assumed	7.50%	7.19%	
Funding requirement as percentage of payroll:	21.34%	59.70%	**
Percentage of payroll contributed by employee:	2.77%	6.47%	**
Funding requirement as dollar amount:	4,036,113	N/A	

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%	82,049,326	79,635,741	2,413,585	28.94	5,048,677	26.69
112.664(1)(b)	5.00%	109,999,939	79,635,741	30,364,198	21.78	10,023,547	52.99
Valuation Basis	7.00%	N/A	N/A	N/A	32.45	4,036,113	21.34

Link to annual financial statements: <https://frs.fl.gov/forms/LOC5340180PDF10012019N1.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

Plan Status:	Active, Closed (closed to new entrants) and Frozen (closed to new entrants and no further benefit accruals)
Actuarial Value of Plan Assets (AVA):	Assets calculated under an asset valuation method smoothing the effects of volatility in market value of assets. Used to determine employer contribution.
Actuarial Accrued Liability (AAL):	Portion of Present Value of Fully Projected Benefits attributable to service credit earned as of the current actuarial valuation date.
Unfunded Accrued Liability (UAL):	The difference between the actuarial accrued liability and the actuarial value of assets accumulated to finance the obligation.
Market Value of Plan Assets (MVA):	The fair market value of assets, including DROP accounts.
MVA Funded Ratio:	Market Value of Plan Assets divided by Actuarial Accrued Liability (GASB)
Rate of Return (Assumed):	Assumed long-term rate of return on the pension fund assets.
Funding requirement as percentage of payroll:	Total Required Contribution (employer and employee) divided by total payroll of active participants. No interest adjustment is included.
Funding requirement as dollar amount:	Total Required Contribution (employer and employee). No interest adjustment is included.
AFC:	Average Final Compensation or some variant of compensation (e.g., AME [Average Monthly Earnings], FAC [Final Average Compensation], FMC [Final Monthly Compensation] etc.)
SC:	Service Credit

Section 112.664 – Glossary of Terms

Florida Statute Chapter:	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.
Discount Rate:	Rate used to discount the liabilities. Typically the same as assumed rate of return on assets.
Total Pension Liability:	Actuarial Accrued Liability measured using the appropriate assumptions as specified above and the Traditional Individual Entry Age Normal Cost
Net Pension Liability:	Total Pension Liability minus Market Value of Plan Assets.
Years assets sustain benefit payments:	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.
Total Dollar Contribution:	Required contribution from all sources (i.e., employee and sponsor). Contribution will vary based on the Florida Statute Chapter assumption.
Total % of Pay Contribution:	Total Dollar Contribution divided by total payroll of active participants
Annual financial statements:	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

- 2017
2018
2019 26.1 Except as provided in Sections 26.2, 26.3, and 26.4, below, the Town will maintain the existing
2020 pension plan ordinance provisions regarding benefits and contributions for bargaining unit
2021 employees for the duration of this Agreement.
2022
- 2023 26.2 Effective August 21, 2013, the Town shall not process or administer, or have any involvement in
2024 any way with any employee loans from the Town's defined contribution 401(a) pension plans.
2025 Any such loans, if available, must be made directly between the employee and the third-party
2026 administrator, and must be consistent with all applicable laws and regulations.
- 2027 26.3 Effective the first full pay period in October 2007, the Town increased the Town's contribution to
2028 eleven and four tenths percent (11.4%) of the salaries of individual bargaining unit members who
2029 elected to remain in the DC 401(a) pension plan, and no employee contribution to the DC 401(a)
2030 pension plan will be required.
2031
- 2032 26.4 The employee contribution increases of two and one-half percent (2.5%) applicable to the
2033 employees in the first tier of the defined benefit pension plan in Section 26.2 of the 2012-2015
2034 Agreement, were mutually agreed by the parties provided all members of the first tier of the
2035 defined benefit pension plan pay the same amount of contribution percentage established in
2036 Section 26.2 of the 2012-2015 Agreement. If for any reason the Town does not implement or
2037 reduces the contributions of non-bargaining unit employees in the first tier of the defined benefit
2038 plan below two and one-half percent (2.5%) during the term of this Agreement, then the parties
2039 agree that the employee contributions of the bargaining unit employees who are in the first tier of
2040 the defined benefit plan, shall be reduced to the same amount as the non-bargaining unit
2041 employees who are in the first tier of the defined benefit plan.
2042
2043
2044
2045

**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, provided the enumerated positions are W-2 employees and not independent contractors.

Salary:

The total cash remuneration paid to a plan participant for services rendered, and any employer contributions made to the employee's 457 account. 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"

An eligible member may elect to participate in the DROP for a period not to exceed a maximum of 60 calendar months, provided that the member elects to participate in 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.

Alimony, Child Support, and Property Distribution

Under state law and local ordinance, this Plan is exempt from claims of creditors. The only exception is a court award of child support or alimony. Under Florida law there is a specific exemption permitting these payments to be made from the Plan. Florida law does not permit direct payment of property settlement rights. A former spouse cannot receive a benefit until the member retires and starts receiving benefits from the Plan.

Effective January 1, 2019, changes in federal tax laws have eliminated tax deductions for alimony if a marriage was dissolved or a property settlement agreement was made on or after January 1, 2019. Modifications to existing order or agreements on or after January 1, 2019, may be tax deductible if both parties agree.

In a divorce proceeding, a court can order a member to pay a portion of benefits to a spouse once that benefit is received. If the pension benefit is being divided as an equitable distribution of property, a special order must be entered by the Court with payments from the Plan to a joint account in the name of the member and former spouse. The Plan is not subject to qualified domestic relations orders (QDRO's).

Members are encouraged to submit draft copies of divorce orders to the Board for review, prior to entry of a final divorce decree. In the event that an order requires correction for failure to comply with the terms of the Plan, fees and costs incurred by the Plan shall be reimbursed by the member.

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: 10/1/2019

Employee group(s) covered: General
Plan Status: Active **Date prepared:** 1/14/2021

Number of plan participants:		440		GASB 67 Reporting	
Actuarial Value of Plan Assets (AVA):	\$69,269,755	Discount Rate	7.00%		
Actuarial Accrued Liability (AAL):	\$76,770,771	Total Pension Liability	83,621,418		
Unfunded Accrued Liability (UAL):	\$7,501,016	Market Value of Plan Assets	79,433,722		
Market Value of Plan Assets (MVA):	\$79,635,741	Net Pension Liability	4,187,696		
MVA Funded Ratio (5-year history):		GASB 67 Funded Ratio	94.99%		
		Averages for all plans with 2019 current actuarial valuation date			
Current valuation	103.73%	86.62%	*		
1 year prior	102.34%	88.75%	*		
2 years prior	97.64%	85.83%	*		
3 years prior	89.54%	82.35%	*		
4 years prior	98.78%	82.16%	*		
Rate of Actuarial Value, Actual (2019 Plan Year)	6.65%	7.12%			
Return: Market Value, Actual	5.75%	3.94%			
Assumed	7.50%	7.19%			
Funding requirement as percentage of payroll:	21.34%	59.70%	**		
Percentage of payroll contributed by employee:	2.77%	6.47%	**		
Funding requirement as dollar amount:	4,036,113	N/A			

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%	82,049,326	79,635,741	2,413,585	28.94	5,048,677	26.69
112.664(1)(b)	5.00%	109,999,939	79,635,741	30,364,198	21.78	10,023,547	52.99
Valuation Basis	7.00%	N/A	N/A	N/A	32.45	4,036,113	21.34

Link to annual financial statements: <https://frs.fl.gov/forms/LOC5340180PDF10012019N1.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

Plan Status:	Active, Closed (closed to new entrants) and Frozen (closed to new entrants and no further benefit accruals)
Actuarial Value of Plan Assets (AVA):	Assets calculated under an asset valuation method smoothing the effects of volatility in market value of assets. Used to determine employer contribution.
Actuarial Accrued Liability (AAL):	Portion of Present Value of Fully Projected Benefits attributable to service credit earned as of the current actuarial valuation date.
Unfunded Accrued Liability (UAL):	The difference between the actuarial accrued liability and the actuarial value of assets accumulated to finance the obligation.
Market Value of Plan Assets (MVA):	The fair market value of assets, including DROP accounts.
MVA Funded Ratio:	Market Value of Plan Assets divided by Actuarial Accrued Liability (GASB)
Rate of Return (Assumed):	Assumed long-term rate of return on the pension fund assets.
Funding requirement as percentage of payroll:	Total Required Contribution (employer and employee) divided by total payroll of active participants. No interest adjustment is included.
Funding requirement as dollar amount:	Total Required Contribution (employer and employee). No interest adjustment is included.
AFC:	Average Final Compensation or some variant of compensation (e.g., AME [Average Monthly Earnings], FAC [Final Average Compensation], FMC [Final Monthly Compensation] etc.)
SC:	Service Credit

Section 112.664 – Glossary of Terms

Florida Statute Chapter:	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.
Discount Rate:	Rate used to discount the liabilities. Typically the same as assumed rate of return on assets.
Total Pension Liability:	Actuarial Accrued Liability measured using the appropriate assumptions as specified above and the Traditional Individual Entry Age Normal Cost
Net Pension Liability:	Total Pension Liability minus Market Value of Plan Assets.
Years assets sustain benefit payments:	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.
Total Dollar Contribution:	Required contribution from all sources (i.e., employee and sponsor). Contribution will vary based on the Florida Statute Chapter assumption.
Total % of Pay Contribution:	Total Dollar Contribution divided by total payroll of active participants
Annual financial statements:	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 & REPRESENTED AND NON-
REPRESENTED 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"

An eligible member may elect to participate in the DROP for a period not to exceed a maximum of 60 calendar months, provided that the member elects to participate in 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.

Alimony, Child Support, and Property Distribution

Under state law and local ordinance, this Plan is exempt from claims of creditors. The only exception is a court award of child support or alimony. Under Florida law there is a specific exemption permitting these payments to be made from the Plan. Florida law does not permit direct payment of property settlement rights. A former spouse cannot receive a benefit until the member retires and starts receiving benefits from the Plan.

Effective January 1, 2019, changes in federal tax laws have eliminated tax deductions for alimony if a marriage was dissolved or a property settlement agreement was made on or after January 1, 2019. Modifications to existing order or agreements on or after January 1, 2019, may be tax deductible if both parties agree.

In a divorce proceeding, a court can order a member to pay a portion of benefits to a spouse once that benefit is received. If the pension benefit is being divided as an equitable distribution of property, a special order must be entered by the Court with payments from the Plan to a joint account in the name of the member and former spouse. The Plan is not subject to qualified domestic relations orders (QDRO's).

Members are encouraged to submit draft copies of divorce orders to the Board for review, prior to entry of a final divorce decree. In the event that an order requires correction for failure to comply with the terms of the Plan, fees and costs incurred by the Plan shall be reimbursed by the member.

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

Mailing Address for Board of Trustees:

Updated March 2020
Employees hired after 9/30/2013

Page 3 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.

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

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: 10/1/2019

Employee group(s) covered: General
Plan Status: Active **Date prepared:** 1/14/2021

Number of plan participants:		GASB 67 Reporting	
Actuarial Value of Plan Assets (AVA):	\$69,269,755	Discount Rate	7.00%
Actuarial Accrued Liability (AAL):	\$76,770,771	Total Pension Liability	83,621,418
Unfunded Accrued Liability (UAL):	\$7,501,016	Market Value of Plan Assets	79,433,722
Market Value of Plan Assets (MVA):	\$79,635,741	Net Pension Liability	4,187,696
MVA Funded Ratio (5-year history):		GASB 67 Funded Ratio	94.99%
		Averages for all plans with 2019 current actuarial valuation date	
Current valuation	103.73%	86.62%	*
1 year prior	102.34%	88.75%	*
2 years prior	97.64%	85.83%	*
3 years prior	89.54%	82.35%	*
4 years prior	98.78%	82.16%	*
Rate of Actuarial Value, Actual (2019 Plan Year)	6.65%	7.12%	
Return: Market Value, Actual	5.75%	3.94%	
Assumed	7.50%	7.19%	
Funding requirement as percentage of payroll:	21.34%	59.70%	**
Percentage of payroll contributed by employee:	2.77%	6.47%	**
Funding requirement as dollar amount:	4,036,113	N/A	

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%	82,049,326	79,635,741	2,413,585	28.94	5,048,677	26.69
112.664(1)(b)	5.00%	109,999,939	79,635,741	30,364,198	21.78	10,023,547	52.99
Valuation Basis	7.00%	N/A	N/A	N/A	32.45	4,036,113	21.34

Link to annual financial statements: <https://frs.fl.gov/forms/LOC5340180PDF10012019N1.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

Plan Status:	Active, Closed (closed to new entrants) and Frozen (closed to new entrants and no further benefit accruals)
Actuarial Value of Plan Assets (AVA):	Assets calculated under an asset valuation method smoothing the effects of volatility in market value of assets. Used to determine employer contribution.
Actuarial Accrued Liability (AAL):	Portion of Present Value of Fully Projected Benefits attributable to service credit earned as of the current actuarial valuation date.
Unfunded Accrued Liability (UAL):	The difference between the actuarial accrued liability and the actuarial value of assets accumulated to finance the obligation.
Market Value of Plan Assets (MVA):	The fair market value of assets, including DROP accounts.
MVA Funded Ratio:	Market Value of Plan Assets divided by Actuarial Accrued Liability (GASB)
Rate of Return (Assumed):	Assumed long-term rate of return on the pension fund assets.
Funding requirement as percentage of payroll:	Total Required Contribution (employer and employee) divided by total payroll of active participants. No interest adjustment is included.
Funding requirement as dollar amount:	Total Required Contribution (employer and employee). No interest adjustment is included.
AFC:	Average Final Compensation or some variant of compensation (e.g., AME [Average Monthly Earnings], FAC [Final Average Compensation], FMC [Final Monthly Compensation] etc.)
SC:	Service Credit

Section 112.664 – Glossary of Terms

Florida Statute Chapter:	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.
Discount Rate:	Rate used to discount the liabilities. Typically the same as assumed rate of return on assets.
Total Pension Liability:	Actuarial Accrued Liability measured using the appropriate assumptions as specified above and the Traditional Individual Entry Age Normal Cost
Net Pension Liability:	Total Pension Liability minus Market Value of Plan Assets.
Years assets sustain benefit payments:	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.
Total Dollar Contribution:	Required contribution from all sources (i.e., employee and sponsor). Contribution will vary based on the Florida Statute Chapter assumption.
Total % of Pay Contribution:	Total Dollar Contribution divided by total payroll of active participants
Annual financial statements:	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.