

CITY OF DAVENPORT  
POLICE OFFICERS' AND FIREFIGHTERS' PENSION TRUST FUND

SECTION 112.664, FLORIDA STATUTES COMPLIANCE  
DETERMINED AS OF THE  
OCTOBER 1, 2022 VALUATION DATE



June 30, 2022

VIA E-MAIL

Ms. Susy Pita, Plan Administrator  
233 Seaside Landings Dr. S.  
Flagler Beach, FL 32136

Re: City of Davenport  
Police Officers' and Firefighters' Pension Trust Fund

Dear Susy:

Please find enclosed the annual disclosures that satisfy the October 1, 2022 financial reporting requirements made under Section 112.664.

Our office will submit this information electronically to the Department of Management Services. However, it is important for you to be aware that this report must also be made available on the Plan or Plan Sponsor's website, if such website exists. A deadline for this website publication is not made clear in the law.

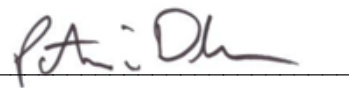
In addition to the enclosed report, the Plan or Plan Sponsor's website must provide a link to the Division of Retirement's Actuarial Summary Fact Sheet for the Plan, and also report the previous five years' assumed and actual rates of return, along with their respective asset allocations. The Board should contact its Investment Consultant for this information.

With respect to the reporting standards for defined benefit retirement plans or systems contained in Section 112.664(1), F.S., the actuarial disclosures required under this section were prepared and completed by me or under my direct supervision and I acknowledge responsibility for the results. To the best of my knowledge, the results are complete and accurate, and in my opinion, meet the requirements of Section 112.664(1), Florida Statutes, and Rule 60T-1.0035, Florida Administrative Code.

If there are any questions, concerns, or comments about any of the items contained in this report, please feel free to contact me.

Respectfully submitted,

Foster & Foster, Inc.

By: 

Patrick T. Donlan, EA, ASA, MAAA  
Enrolled Actuary #23-6595

Enclosures

cc: Stuart Kaufman, Plan Attorney

When reviewing the following schedules, please note the following:

- 1) The purpose of producing this report is solely to satisfy the requirements set forth by Section 112.664, Florida Statutes, and is mandatory for every Florida public pension fund, excluding the Florida Retirement System (FRS).
- 2) None of the schedules shown have any impact on the funding requirements of the Plan. These schedules are for statutory compliance purposes only.
- 3) In the schedules that follow, the columns labeled “ACTUAL” represent the final recorded GASB 67/68 results. The columns labeled “HYPOTHETICAL” illustrate what the results would have been if different assumptions were used.
- 4) It is our opinion that the Plan’s actual assumptions utilized in the October 1, 2022 Actuarial Valuation Report, as adopted by the Board of Trustees, are reasonable individually and in the aggregate, and represent our best estimate of future Plan experience.
- 5) The “Number of Years Expected Benefit Payments Sustained” calculated in Section II: Asset Sustainability should not be interpreted as the number of years the Plan has left until it is insolvent. This calculation is required by 112.664, Florida Statutes, but the numeric result is irrelevant, since in its calculation we are to assume there will be no further contributions to the Fund. As long as the Actuarially Determined Contribution is made each year the Plan will never become insolvent.

SCHEDULE OF CHANGES IN NET PENSION LIABILITY  
FISCAL YEAR SEPTEMBER 30, 2022

	<u>ACTUAL</u>	<u>HYPOTHETICAL</u>
Discount Rate:	7.50%	5.50%
<u>Total Pension Liability</u>		
Service Cost	233,487	352,616
Interest	99,325	102,807
Changes of Benefit Terms	-	-
Differences Between Expected and Actual Experience	(18,186)	(21,863)
Changes of Assumptions	-	-
Benefit Payments, Including Refunds of Employee Contributions	(27,938)	(27,938)
Net Change in Total Pension Liability	286,688	405,622
Total Pension Liability - Beginning	1,104,811	1,530,570
Total Pension Liability - Ending (a)	<u>\$ 1,391,499</u>	<u>\$ 1,936,192</u>
<u>Plan Fiduciary Net Position</u>		
Contributions - Employer	139,804	139,804
Contributions - State	212,745	212,745
Contributions - Employee	84,883	84,883
Net Investment Income	(205,052)	(205,052)
Benefit Payments, Including Refunds of Employee Contributions	(27,938)	(27,938)
Administrative Expenses	(28,718)	(28,718)
Net Change in Plan Fiduciary Net Position	175,725	175,725
Plan Fiduciary Net Position - Beginning	1,095,526	1,095,526
Plan Fiduciary Net Position - Ending (b)	<u>\$ 1,271,251</u>	<u>\$ 1,271,251</u>
Net Pension Liability - Ending (a) - (b)	<u>\$ 120,249</u>	<u>\$ 664,942</u>

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

Table 1  
Plan Assumptions: Discount Rate = 7.50%

Fiscal Year Beginning 10/1	Projected Beginning Fiduciary Net Position	Projected Total Contributions	Projected Benefit Payments	Projected Administrative Expense	Projected Investment Earnings	Projected Ending Fiduciary Net Position
2022	1,271,250	-	51,473	-	93,414	1,313,191
2023	1,313,191	-	52,854	-	96,507	1,356,844
2024	1,356,844	-	51,552	-	99,830	1,405,122
2025	1,405,122	-	50,576	-	103,488	1,458,034
2026	1,458,034	-	57,340	-	107,202	1,507,896
2027	1,507,896	-	59,623	-	110,856	1,559,129
2028	1,559,129	-	61,113	-	114,643	1,612,659
2029	1,612,659	-	62,540	-	118,604	1,668,723
2030	1,668,723	-	74,497	-	122,361	1,716,587
2031	1,716,587	-	74,776	-	125,940	1,767,751
2032	1,767,751	-	77,163	-	129,688	1,820,276
2033	1,820,276	-	74,395	-	133,731	1,879,612
2034	1,879,612	-	74,280	-	138,185	1,943,517
2035	1,943,517	-	74,884	-	142,956	2,011,589
2036	2,011,589	-	73,702	-	148,105	2,085,992
2037	2,085,992	-	72,930	-	153,715	2,166,777
2038	2,166,777	-	78,226	-	159,575	2,248,126
2039	2,248,126	-	80,406	-	165,594	2,333,314
2040	2,333,314	-	78,562	-	172,052	2,426,804
2041	2,426,804	-	78,208	-	179,078	2,527,674
2042	2,527,674	-	83,157	-	186,457	2,630,974
2043	2,630,974	-	81,880	-	194,253	2,743,347
2044	2,743,347	-	89,294	-	202,403	2,856,456
2045	2,856,456	-	93,569	-	210,725	2,973,612
2046	2,973,612	-	93,846	-	219,502	3,099,268
2047	3,099,268	-	93,702	-	228,931	3,234,497
2048	3,234,497	-	92,490	-	239,119	3,381,126
2049	3,381,126	-	93,126	-	250,092	3,538,092
2050	3,538,092	-	90,757	-	261,954	3,709,289
2051	3,709,289	-	88,670	-	274,872	3,895,491
2052	3,895,491	-	85,688	-	288,949	4,098,752
2053	4,098,752	-	83,047	-	304,292	4,319,997
2054	4,319,997	-	79,756	-	321,009	4,561,250
2055	4,561,250	-	76,580	-	339,222	4,823,892
2056	4,823,892	-	73,604	-	359,032	5,109,320
2057	5,109,320	-	70,636	-	380,550	5,419,234
2058	5,419,234	-	67,720	-	403,903	5,755,417
2059	5,755,417	-	64,687	-	429,231	6,119,961
2060	6,119,961	-	61,835	-	456,678	6,514,804
2061	6,514,804	-	58,975	-	486,399	6,942,228
2062	6,942,228	-	56,150	-	518,561	7,404,639
2063	7,404,639	-	53,350	-	553,347	7,904,636
2064	7,904,636	-	50,581	-	590,951	8,445,006
2065	8,445,006	-	47,854	-	631,581	9,028,733
2066	9,028,733	-	45,184	-	675,461	9,659,010
2067	9,659,010	-	42,582	-	722,829	10,339,257
2068	10,339,257	-	40,057	-	773,942	11,073,142
2069	11,073,142	-	37,609	-	829,075	11,864,608

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

Table 1  
Plan Assumptions: Discount Rate = 7.50%

Fiscal Year Beginning 10/1	Projected Beginning Fiduciary Net Position	Projected Total Contributions	Projected Benefit Payments	Projected Administrative Expense	Projected Investment Earnings	Projected Ending Fiduciary Net Position
2070	11,864,608	-	35,237	-	888,524	12,717,895
2071	12,717,895	-	32,935	-	952,607	13,637,567
2072	13,637,567	-	30,704	-	1,021,666	14,628,529
2073	14,628,529	-	28,545	-	1,096,069	15,696,053
2074	15,696,053	-	26,461	-	1,176,212	16,845,804
2075	16,845,804	-	24,454	-	1,262,518	18,083,868
2076	18,083,868	-	22,531	-	1,355,445	19,416,782
2077	19,416,782	-	20,694	-	1,455,483	20,851,571
2078	20,851,571	-	18,945	-	1,563,157	22,395,783
2079	22,395,783	-	17,281	-	1,679,036	24,057,538
2080	24,057,538	-	15,698	-	1,803,727	25,845,567
2081	25,845,567	-	14,195	-	1,937,885	27,769,257
2082	27,769,257	-	12,770	-	2,082,215	29,838,702
2083	29,838,702	-	11,423	-	2,237,474	32,064,753
2084	32,064,753	-	10,155	-	2,404,476	34,459,074
2085	34,459,074	-	8,968	-	2,584,094	37,034,200
2086	37,034,200	-	7,865	-	2,777,270	39,803,605
2087	39,803,605	-	6,849	-	2,985,014	42,781,770
2088	42,781,770	-	5,917	-	3,208,411	45,984,264
2089	45,984,264	-	5,068	-	3,448,630	49,427,826
2090	49,427,826	-	4,300	-	3,706,926	53,130,452
2091	53,130,452	-	3,609	-	3,984,649	57,111,492
2092	57,111,492	-	2,993	-	4,283,250	61,391,749
2093	61,391,749	-	2,451	-	4,604,289	65,993,587
2094	65,993,587	-	1,978	-	4,949,445	70,941,054
2095	70,941,054	-	1,571	-	5,320,520	76,260,003
2096	76,260,003	-	1,226	-	5,719,454	81,978,231
2097	81,978,231	-	940	-	6,148,332	88,125,623
2098	88,125,623	-	707	-	6,609,395	94,734,311
2099	94,734,311	-	520	-	7,105,054	101,838,845
2100	101,838,845	-	374	-	7,637,899	109,476,370
2101	109,476,370	-	263	-	8,210,718	117,686,825
2102	117,686,825	-	181	-	8,826,505	126,513,149
2103	126,513,149	-	121	-	9,488,482	136,001,510
2104	136,001,510	-	79	-	10,200,110	146,201,541
2105	146,201,541	-	50	-	10,965,114	157,166,605
2106	157,166,605	-	31	-	11,787,494	168,954,068
2107	168,954,068	-	18	-	12,671,554	181,625,604
2108	181,625,604	-	11	-	13,621,920	195,247,513
2109	195,247,513	-	6	-	14,643,563	209,891,070
2110	209,891,070	-	3	-	15,741,830	225,632,897
2111	225,632,897	-	2	-	16,922,467	242,555,362

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 PROJECTION OF THE NUMBER OF YEARS ASSETS WILL SUSTAIN BENEFIT PAYMENTS

 Table 1  
 Plan Assumptions: Discount Rate = 7.50%

Fiscal Year Beginning 10/1	Projected Beginning Fiduciary Net Position	Projected Total Contributions	Projected Benefit Payments	Projected Administrative Expense	Projected Investment Earnings	Projected Ending Fiduciary Net Position
2112	242,555,362	-	1	-	18,191,652	260,747,013
2113	260,747,013	-	-	-	19,556,026	280,303,039

Number of Years Expected Benefit Payments Sustained: 999.99

This projection assumes no further contributions, assumes no further benefit accruals, and assumes Market Value of Assets earn 7.50% interest.

**It is important to note that as long as the Actuarially Determined Contribution is made each year, the Plan will never become insolvent. Furthermore, State and local laws mandate that the Actuarially Determined Contribution be made each year.**

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

Table 2  
Hypothetical Assumptions: Discount Rate = 5.50%

Fiscal Year Beginning 10/1	Projected Beginning Fiduciary Net Position	Projected Total Contributions	Projected Benefit Payments	Projected Administrative Expense	Projected Investment Earnings	Projected Ending Fiduciary Net Position
2022	1,271,250	-	51,473	-	68,503	1,288,280
2023	1,288,280	-	52,854	-	69,402	1,304,828
2024	1,304,828	-	51,552	-	70,348	1,323,624
2025	1,323,624	-	50,576	-	71,408	1,344,456
2026	1,344,456	-	57,340	-	72,368	1,359,484
2027	1,359,484	-	59,623	-	73,132	1,372,993
2028	1,372,993	-	61,113	-	73,834	1,385,714
2029	1,385,714	-	62,540	-	74,494	1,397,668
2030	1,397,668	-	74,497	-	74,823	1,397,994
2031	1,397,994	-	74,776	-	74,833	1,398,051
2032	1,398,051	-	77,163	-	74,771	1,395,659
2033	1,395,659	-	74,395	-	74,715	1,395,979
2034	1,395,979	-	74,280	-	74,736	1,396,435
2035	1,396,435	-	74,884	-	74,745	1,396,296
2036	1,396,296	-	73,702	-	74,769	1,397,363
2037	1,397,363	-	72,930	-	74,849	1,399,282
2038	1,399,282	-	78,226	-	74,809	1,395,865
2039	1,395,865	-	80,406	-	74,561	1,390,020
2040	1,390,020	-	78,562	-	74,291	1,385,749
2041	1,385,749	-	78,208	-	74,065	1,381,606
2042	1,381,606	-	83,157	-	73,702	1,372,151
2043	1,372,151	-	81,880	-	73,217	1,363,488
2044	1,363,488	-	89,294	-	72,536	1,346,730
2045	1,346,730	-	93,569	-	71,497	1,324,658
2046	1,324,658	-	93,846	-	70,275	1,301,087
2047	1,301,087	-	93,702	-	68,983	1,276,368
2048	1,276,368	-	92,490	-	67,657	1,251,535
2049	1,251,535	-	93,126	-	66,273	1,224,682
2050	1,224,682	-	90,757	-	64,862	1,198,787
2051	1,198,787	-	88,670	-	63,495	1,173,612
2052	1,173,612	-	85,688	-	62,192	1,150,116
2053	1,150,116	-	83,047	-	60,973	1,128,042
2054	1,128,042	-	79,756	-	59,849	1,108,135
2055	1,108,135	-	76,580	-	58,841	1,090,396
2056	1,090,396	-	73,604	-	57,948	1,074,740
2057	1,074,740	-	70,636	-	57,168	1,061,272
2058	1,061,272	-	67,720	-	56,508	1,050,060
2059	1,050,060	-	64,687	-	55,974	1,041,347
2060	1,041,347	-	61,835	-	55,574	1,035,086
2061	1,035,086	-	58,975	-	55,308	1,031,419
2062	1,031,419	-	56,150	-	55,184	1,030,453
2063	1,030,453	-	53,350	-	55,208	1,032,311
2064	1,032,311	-	50,581	-	55,386	1,037,116
2065	1,037,116	-	47,854	-	55,725	1,044,987
2066	1,044,987	-	45,184	-	56,232	1,056,035
2067	1,056,035	-	42,582	-	56,911	1,070,364
2068	1,070,364	-	40,057	-	57,768	1,088,075
2069	1,088,075	-	37,609	-	58,810	1,109,276

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

Table 2  
Hypothetical Assumptions: Discount Rate = 5.50%

Fiscal Year Beginning 10/1	Projected Beginning Fiduciary Net Position	Projected Total Contributions	Projected Benefit Payments	Projected Administrative Expense	Projected Investment Earnings	Projected Ending Fiduciary Net Position
2070	1,109,276	-	35,237	-	60,041	1,134,080
2071	1,134,080	-	32,935	-	61,469	1,162,614
2072	1,162,614	-	30,704	-	63,099	1,195,009
2073	1,195,009	-	28,545	-	64,941	1,231,405
2074	1,231,405	-	26,461	-	67,000	1,271,944
2075	1,271,944	-	24,454	-	69,284	1,316,774
2076	1,316,774	-	22,531	-	71,803	1,366,046
2077	1,366,046	-	20,694	-	74,563	1,419,915
2078	1,419,915	-	18,945	-	77,574	1,478,544
2079	1,478,544	-	17,281	-	80,845	1,542,108
2080	1,542,108	-	15,698	-	84,384	1,610,794
2081	1,610,794	-	14,195	-	88,203	1,684,802
2082	1,684,802	-	12,770	-	92,313	1,764,345
2083	1,764,345	-	11,423	-	96,725	1,849,647
2084	1,849,647	-	10,155	-	101,451	1,940,943
2085	1,940,943	-	8,968	-	106,505	2,038,480
2086	2,038,480	-	7,865	-	111,900	2,142,515
2087	2,142,515	-	6,849	-	117,650	2,253,316
2088	2,253,316	-	5,917	-	123,770	2,371,169
2089	2,371,169	-	5,068	-	130,275	2,496,376
2090	2,496,376	-	4,300	-	137,182	2,629,258
2091	2,629,258	-	3,609	-	144,510	2,770,159
2092	2,770,159	-	2,993	-	152,276	2,919,442
2093	2,919,442	-	2,451	-	160,502	3,077,493
2094	3,077,493	-	1,978	-	169,208	3,244,723
2095	3,244,723	-	1,571	-	178,417	3,421,569
2096	3,421,569	-	1,226	-	188,153	3,608,496
2097	3,608,496	-	940	-	198,441	3,805,997
2098	3,805,997	-	707	-	209,310	4,014,600
2099	4,014,600	-	520	-	220,789	4,234,869
2100	4,234,869	-	374	-	232,908	4,467,403
2101	4,467,403	-	263	-	245,700	4,712,840
2102	4,712,840	-	181	-	259,201	4,971,860
2103	4,971,860	-	121	-	273,449	5,245,188
2104	5,245,188	-	79	-	288,483	5,533,592
2105	5,533,592	-	50	-	304,346	5,837,888
2106	5,837,888	-	31	-	321,083	6,158,940
2107	6,158,940	-	18	-	338,741	6,497,663
2108	6,497,663	-	11	-	357,371	6,855,023
2109	6,855,023	-	6	-	377,026	7,232,043
2110	7,232,043	-	3	-	397,762	7,629,802
2111	7,629,802	-	2	-	419,639	8,049,439

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 PROJECTION OF THE NUMBER OF YEARS ASSETS WILL SUSTAIN BENEFIT PAYMENTS

 Table 2  
 Hypothetical Assumptions: Discount Rate = 5.50%

Fiscal Year Beginning 10/1	Projected Beginning Fiduciary Net Position	Projected Total Contributions	Projected Benefit Payments	Projected Administrative Expense	Projected Investment Earnings	Projected Ending Fiduciary Net Position
2112	8,049,439	-	1	-	442,719	8,492,157
2113	8,492,157	-	-	-	467,069	8,959,226

Number of Years Expected Benefit Payments Sustained: 999.99

This projection assumes no further contributions, assumes no further benefit accruals, and assumes Market Value of Assets earn 5.50% interest.

**It is important to note that as long as the Actuarially Determined Contribution is made each year, the Plan will never become insolvent. Furthermore, State and local laws mandate that the Actuarially Determined Contribution be made each year.**

ACTUAL AND HYPOTHETICAL CONTRIBUTIONS APPLICABLE TO THE FISCAL YEAR  
ENDING SEPTEMBER 30, 2024

Valuation Date: 10/1/2022

	<u>ACTUAL</u>	<u>HYPOTHETICAL</u>
Investment Rate of Return:	7.50%	5.50%
Minimum Required Contribution (Fixed \$)	\$333,071	\$508,494
Minimum Required Contribution (% of Payroll)	21.6%	32.9%
Expected Member Contribution	77,145	77,145
Expected State Money	212,744	212,744
Expected Sponsor Contribution (Fixed \$)	\$43,182	\$218,605
Expected Sponsor Contribution (% of Payroll)	2.8%	14.1%

**ASSETS**

Actuarial Value <sup>1</sup>	1,459,676	1,459,676
Market Value <sup>1</sup>	1,271,250	1,271,250

**LIABILITIES**

Present Value of Benefits		
Active Members		
Retirement Benefits	2,710,853	4,275,868
Disability Benefits	60,301	85,209
Death Benefits	13,004	19,202
Vested Benefits	361,635	678,598
Refund of Contributions	57,634	60,256
Service Retirees	256,727	319,351
DROP Retirees <sup>1</sup>	0	0
Beneficiaries	0	0
Disability Retirees	0	0
Terminated Vested	19,525	19,525
Share Plan Balances <sup>1</sup>	0	0
Total:	<u>3,479,679</u>	<u>5,458,009</u>
Present Value of Future Salaries	11,733,302	13,191,676
Present Value of Future Member Contributions	586,665	659,584
Total Normal Cost	279,314	416,694
Present Value of Future Normal Costs (Entry Age Normal)	1,971,654	3,378,371
Total Actuarial Accrued Liability (EAN) <sup>1</sup>	1,508,025	2,079,638
Unfunded Actuarial Accrued Liability (UAAL)	48,349	619,962

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ACTUAL AND HYPOTHETICAL CONTRIBUTIONS APPLICABLE TO THE FISCAL YEAR  
ENDING SEPTEMBER 30, 2024

Valuation Date: 10/1/2022

	ACTUAL	HYPOTHETICAL
Investment Rate of Return:	7.50%	5.50%
<b><u>PENSION COST</u></b>		
Normal Cost (with interest)	289,788	428,153
Administrative Expenses (with interest)	41,500	41,100
Payment Required To Amortize UAAL (with interest)	1,783	39,241
Minimum Required Contribution	\$333,071	\$508,494

<sup>1</sup> The asset values and liabilities include accumulated DROP and Share Plan Balances as of 9/30/2022.