

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

SECTION 112.664, FLORIDA STATUTES COMPLIANCE
DETERMINED AS OF THE
OCTOBER 1, 2023 VALUATION DATE



June 14, 2024

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, 2023 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.

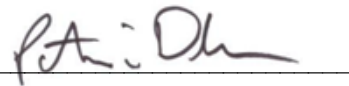
In addition to the enclosed report, the Plan or Plan Sponsor's website must provide a link to the Division of Retirement's Actuarial Summary Fact Sheet for the Plan, and also report the previous five years' assumed and actual rates of return, along with their respective asset allocations. The Board should 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, 2023 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, 2023

	ACTUAL	HYPOTHETICAL
Discount Rate:	7.50%	5.50%
<u>Total Pension Liability</u>		
Service Cost	275,047	410,522
Interest	123,471	127,955
Changes of Benefit Terms	97,385	143,857
Differences Between Expected and Actual Experience	101,769	120,026
Changes of Assumptions	-	-
Benefit Payments, Including Refunds of Employee Contributions	(40,520)	(40,520)
Net Change in Total Pension Liability	557,152	761,840
Total Pension Liability - Beginning	1,391,499	1,936,192
Total Pension Liability - Ending (a)	\$ 1,948,651	\$ 2,698,032
<u>Plan Fiduciary Net Position</u>		
Contributions - Employer	83,213	83,213
Contributions - State	314,261	314,261
Contributions - Employee	94,506	94,506
Net Investment Income	98,978	98,978
Benefit Payments, Including Refunds of Employee Contributions	(40,520)	(40,520)
Administrative Expenses	(35,661)	(35,661)
Net Change in Plan Fiduciary Net Position	514,777	514,777
Plan Fiduciary Net Position - Beginning	1,271,250	1,271,250
Plan Fiduciary Net Position - Ending (b)	\$ 1,786,027	\$ 1,786,027
Net Pension Liability - Ending (a) - (b)	\$ 162,624	\$ 912,005

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
2023	1,786,027	-	61,975	-	131,628	1,855,680
2024	1,855,680	-	61,303	-	136,877	1,931,254
2025	1,931,254	-	59,845	-	142,600	2,014,009
2026	2,014,009	-	69,550	-	148,443	2,092,902
2027	2,092,902	-	68,836	-	154,386	2,178,452
2028	2,178,452	-	72,469	-	160,666	2,266,649
2029	2,266,649	-	77,871	-	167,079	2,355,857
2030	2,355,857	-	94,882	-	173,131	2,434,106
2031	2,434,106	-	95,381	-	178,981	2,517,706
2032	2,517,706	-	100,173	-	185,071	2,602,604
2033	2,602,604	-	100,085	-	191,442	2,693,961
2034	2,693,961	-	96,931	-	198,412	2,795,442
2035	2,795,442	-	98,629	-	205,960	2,902,773
2036	2,902,773	-	97,063	-	214,068	3,019,778
2037	3,019,778	-	97,270	-	222,836	3,145,344
2038	3,145,344	-	105,190	-	231,956	3,272,110
2039	3,272,110	-	108,320	-	241,346	3,405,136
2040	3,405,136	-	105,844	-	251,416	3,550,708
2041	3,550,708	-	106,141	-	262,323	3,706,890
2042	3,706,890	-	114,499	-	273,723	3,866,114
2043	3,866,114	-	113,201	-	285,714	4,038,627
2044	4,038,627	-	124,394	-	298,232	4,212,465
2045	4,212,465	-	132,376	-	310,971	4,391,060
2046	4,391,060	-	133,918	-	324,308	4,581,450
2047	4,581,450	-	134,581	-	338,562	4,785,431
2048	4,785,431	-	131,905	-	353,961	5,007,487
2049	5,007,487	-	134,323	-	370,524	5,243,688
2050	5,243,688	-	131,171	-	388,358	5,500,875
2051	5,500,875	-	128,928	-	407,731	5,779,678
2052	5,779,678	-	124,695	-	428,800	6,083,783
2053	6,083,783	-	121,141	-	451,741	6,414,383
2054	6,414,383	-	116,676	-	476,703	6,774,410
2055	6,774,410	-	112,271	-	503,871	7,166,010
2056	7,166,010	-	108,201	-	533,393	7,591,202
2057	7,591,202	-	104,146	-	565,435	8,052,491
2058	8,052,491	-	100,225	-	600,178	8,552,444
2059	8,552,444	-	96,030	-	637,832	9,094,246
2060	9,094,246	-	92,138	-	678,613	9,680,721
2061	9,680,721	-	88,186	-	722,747	10,315,282
2062	10,315,282	-	84,303	-	770,485	11,001,464
2063	11,001,464	-	80,435	-	822,093	11,743,122
2064	11,743,122	-	76,591	-	877,862	12,544,393
2065	12,544,393	-	72,785	-	938,100	13,409,708
2066	13,409,708	-	69,031	-	1,003,139	14,343,816
2067	14,343,816	-	65,342	-	1,073,336	15,351,810
2068	15,351,810	-	61,728	-	1,149,071	16,439,153
2069	16,439,153	-	58,191	-	1,230,754	17,611,716
2070	17,611,716	-	54,728	-	1,318,826	18,875,814
2071	18,875,814	-	51,338	-	1,413,761	20,238,237
2072	20,238,237	-	48,022	-	1,516,067	21,706,282
2073	21,706,282	-	44,782	-	1,626,292	23,287,792
2074	23,287,792	-	41,625	-	1,745,023	24,991,190

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
2075	24,991,190	-	38,558	-	1,872,893	26,825,525
2076	26,825,525	-	35,591	-	2,010,580	28,800,514
2077	28,800,514	-	32,732	-	2,158,811	30,926,593
2078	30,926,593	-	29,987	-	2,318,370	33,214,976
2079	33,214,976	-	27,357	-	2,490,097	35,677,716
2080	35,677,716	-	24,842	-	2,674,897	38,327,771
2081	38,327,771	-	22,441	-	2,873,741	41,179,071
2082	41,179,071	-	20,159	-	3,087,674	44,246,586
2083	44,246,586	-	17,997	-	3,317,819	47,546,408
2084	47,546,408	-	15,961	-	3,565,382	51,095,829
2085	51,095,829	-	14,057	-	3,831,660	54,913,432
2086	54,913,432	-	12,290	-	4,118,047	59,019,189
2087	59,019,189	-	10,666	-	4,426,039	63,434,562
2088	63,434,562	-	9,182	-	4,757,248	68,182,628
2089	68,182,628	-	7,834	-	5,113,403	73,288,197
2090	73,288,197	-	6,618	-	5,496,367	78,777,946
2091	78,777,946	-	5,531	-	5,908,139	84,680,554
2092	84,680,554	-	4,568	-	6,350,870	91,026,856
2093	91,026,856	-	3,724	-	6,826,875	97,850,007
2094	97,850,007	-	2,992	-	7,338,638	105,185,653
2095	105,185,653	-	2,367	-	7,888,835	113,072,121
2096	113,072,121	-	1,840	-	8,480,340	121,550,621
2097	121,550,621	-	1,405	-	9,116,244	130,665,460
2098	130,665,460	-	1,052	-	9,799,870	140,464,278
2099	140,464,278	-	771	-	10,534,792	150,998,299
2100	150,998,299	-	553	-	11,324,852	162,322,598
2101	162,322,598	-	388	-	12,174,180	174,496,390
2102	174,496,390	-	266	-	13,087,219	187,583,343
2103	187,583,343	-	177	-	14,068,744	201,651,910
2104	201,651,910	-	115	-	15,123,889	216,775,684
2105	216,775,684	-	73	-	16,258,174	233,033,785
2106	233,033,785	-	45	-	17,477,532	250,511,272
2107	250,511,272	-	27	-	18,788,344	269,299,589
2108	269,299,589	-	16	-	20,197,469	289,497,042
2109	289,497,042	-	9	-	21,712,278	311,209,311
2110	311,209,311	-	5	-	23,340,698	334,550,004
2111	334,550,004	-	3	-	25,091,250	359,641,251
2112	359,641,251	-	1	-	26,973,094	386,614,344
2113	386,614,344	-	1	-	28,996,076	415,610,419
2114	415,610,419	-	-	-	31,170,781	446,781,200

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
2023	1,786,027	-	61,975	-	96,527	1,820,579
2024	1,820,579	-	61,303	-	98,446	1,857,722
2025	1,857,722	-	59,845	-	100,529	1,898,406
2026	1,898,406	-	69,550	-	102,500	1,931,356
2027	1,931,356	-	68,836	-	104,332	1,966,852
2028	1,966,852	-	72,469	-	106,184	2,000,567
2029	2,000,567	-	77,871	-	107,890	2,030,586
2030	2,030,586	-	94,882	-	109,073	2,044,777
2031	2,044,777	-	95,381	-	109,840	2,059,236
2032	2,059,236	-	100,173	-	110,503	2,069,566
2033	2,069,566	-	100,085	-	111,074	2,080,555
2034	2,080,555	-	96,931	-	111,765	2,095,389
2035	2,095,389	-	98,629	-	112,534	2,109,294
2036	2,109,294	-	97,063	-	113,342	2,125,573
2037	2,125,573	-	97,270	-	114,232	2,142,535
2038	2,142,535	-	105,190	-	114,947	2,152,292
2039	2,152,292	-	108,320	-	115,397	2,159,369
2040	2,159,369	-	105,844	-	115,855	2,169,380
2041	2,169,380	-	106,141	-	116,397	2,179,636
2042	2,179,636	-	114,499	-	116,731	2,181,868
2043	2,181,868	-	113,201	-	116,890	2,185,557
2044	2,185,557	-	124,394	-	116,785	2,177,948
2045	2,177,948	-	132,376	-	116,147	2,161,719
2046	2,161,719	-	133,918	-	115,212	2,143,013
2047	2,143,013	-	134,581	-	114,165	2,122,597
2048	2,122,597	-	131,905	-	113,115	2,103,807
2049	2,103,807	-	134,323	-	112,016	2,081,500
2050	2,081,500	-	131,171	-	110,875	2,061,204
2051	2,061,204	-	128,928	-	109,821	2,042,097
2052	2,042,097	-	124,695	-	108,886	2,026,288
2053	2,026,288	-	121,141	-	108,114	2,013,261
2054	2,013,261	-	116,676	-	107,521	2,004,106
2055	2,004,106	-	112,271	-	107,138	1,998,973
2056	1,998,973	-	108,201	-	106,968	1,997,740
2057	1,997,740	-	104,146	-	107,012	2,000,606
2058	2,000,606	-	100,225	-	107,277	2,007,658
2059	2,007,658	-	96,030	-	107,780	2,019,408
2060	2,019,408	-	92,138	-	108,534	2,035,804
2061	2,035,804	-	88,186	-	109,544	2,057,162
2062	2,057,162	-	84,303	-	110,826	2,083,685
2063	2,083,685	-	80,435	-	112,391	2,115,641
2064	2,115,641	-	76,591	-	114,254	2,153,304
2065	2,153,304	-	72,785	-	116,430	2,196,949
2066	2,196,949	-	69,031	-	118,934	2,246,852
2067	2,246,852	-	65,342	-	121,780	2,303,290
2068	2,303,290	-	61,728	-	124,983	2,366,545
2069	2,366,545	-	58,191	-	128,560	2,436,914
2070	2,436,914	-	54,728	-	132,525	2,514,711
2071	2,514,711	-	51,338	-	136,897	2,600,270
2072	2,600,270	-	48,022	-	141,694	2,693,942
2073	2,693,942	-	44,782	-	146,935	2,796,095
2074	2,796,095	-	41,625	-	152,641	2,907,111

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
2075	2,907,111	-	38,558	-	158,831	3,027,384
2076	3,027,384	-	35,591	-	165,527	3,157,320
2077	3,157,320	-	32,732	-	172,752	3,297,340
2078	3,297,340	-	29,987	-	180,529	3,447,882
2079	3,447,882	-	27,357	-	188,881	3,609,406
2080	3,609,406	-	24,842	-	197,834	3,782,398
2081	3,782,398	-	22,441	-	207,415	3,967,372
2082	3,967,372	-	20,159	-	217,651	4,164,864
2083	4,164,864	-	17,997	-	228,573	4,375,440
2084	4,375,440	-	15,961	-	240,210	4,599,689
2085	4,599,689	-	14,057	-	252,596	4,838,228
2086	4,838,228	-	12,290	-	265,765	5,091,703
2087	5,091,703	-	10,666	-	279,750	5,360,787
2088	5,360,787	-	9,182	-	294,591	5,646,196
2089	5,646,196	-	7,834	-	310,325	5,948,687
2090	5,948,687	-	6,618	-	326,996	6,269,065
2091	6,269,065	-	5,531	-	344,646	6,608,180
2092	6,608,180	-	4,568	-	363,324	6,966,936
2093	6,966,936	-	3,724	-	383,079	7,346,291
2094	7,346,291	-	2,992	-	403,964	7,747,263
2095	7,747,263	-	2,367	-	426,034	8,170,930
2096	8,170,930	-	1,840	-	449,351	8,618,441
2097	8,618,441	-	1,405	-	473,976	9,091,012
2098	9,091,012	-	1,052	-	499,977	9,589,937
2099	9,589,937	-	771	-	527,425	10,116,591
2100	10,116,591	-	553	-	556,397	10,672,435
2101	10,672,435	-	388	-	586,973	11,259,020
2102	11,259,020	-	266	-	619,239	11,877,993
2103	11,877,993	-	177	-	653,285	12,531,101
2104	12,531,101	-	115	-	689,207	13,220,193
2105	13,220,193	-	73	-	727,109	13,947,229
2106	13,947,229	-	45	-	767,096	14,714,280
2107	14,714,280	-	27	-	809,285	15,523,538
2108	15,523,538	-	16	-	853,794	16,377,316
2109	16,377,316	-	9	-	900,752	17,278,059
2110	17,278,059	-	5	-	950,293	18,228,347
2111	18,228,347	-	3	-	1,002,559	19,230,903
2112	19,230,903	-	1	-	1,057,700	20,288,602
2113	20,288,602	-	1	-	1,115,873	21,404,474
2114	21,404,474	-	-	-	1,177,246	22,581,720

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, 2025

Valuation Date: 10/1/2023

	<u>ACTUAL</u>	<u>HYPOTHETICAL</u>
Investment Rate of Return:	7.50%	5.50%
Minimum Required Contribution (Fixed \$)	\$497,577	\$747,337
Minimum Required Contribution (% of Payroll)	22.3%	33.4%
Expected Member Contribution	111,759	111,759
Expected State Money	314,261	314,261
Expected Sponsor Contribution (Fixed \$)	\$71,557	\$321,317
Expected Sponsor Contribution (% of Payroll)	3.2%	14.3%

ASSETS

Actuarial Value ¹	1,920,037	1,920,037
Market Value ¹	1,786,027	1,786,027

LIABILITIES

Present Value of Benefits		
Actives		
Retirement Benefits	4,101,728	6,392,247
Disability Benefits	106,833	144,118
Death Benefits	19,157	27,933
Vested Benefits	503,055	925,571
Refund of Contributions	68,184	71,264
Service Retirees	254,965	316,320
DROP Retirees ¹	0	0
Beneficiaries	0	0
Disability Retirees	0	0
Terminated Vested	27,765	27,765
Share Plan Balances ¹	0	0
Total:	<u>5,081,687</u>	<u>7,905,218</u>
Present Value of Future Salaries	16,917,869	18,935,084
Present Value of Future Member Contributions	845,893	946,754
Total Normal Cost	422,954	620,037
Present Value of Future Normal Costs (Entry Age Normal)	2,972,768	4,983,807
Total Actuarial Accrued Liability (EAN) ¹	2,108,919	2,921,411
Unfunded Actuarial Accrued Liability (UAAL)	188,882	1,001,374

ACTUAL AND HYPOTHETICAL CONTRIBUTIONS APPLICABLE TO THE FISCAL YEAR
ENDING SEPTEMBER 30, 2025

Valuation Date: 10/1/2023

	ACTUAL	HYPOTHETICAL
Investment Rate of Return:	7.50%	5.50%
<u>PENSION COST</u>		
Normal Cost (with interest)	438,815	637,088
Administrative Expenses (with interest)	41,500	41,100
Payment Required To Amortize UAAL (with interest)	17,262	69,149
Minimum Required Contribution	\$497,577	\$747,337

¹ The asset values and liabilities include accumulated DROP and Share Plan Balances as of 9/30/2023.