

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

Summary Plan Description

Plan Trustee

Florida Municipal Pension Trust Fund

Plan Administrator

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

Plan

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

Agent for Legal Process

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

Plan Effective Date

10/01/2003

Plan Anniversary Date

October 1 each year

Plan Year

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

Eligibility

All full-time employees.

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.

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

A member who has completed ten (10) years of Vested Service, and is 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 the member has less than ten (10) years of Vested Service, they will receive a return of their employee contributions with six percent (6%) interest. Disability application shall be submitted to the Board prior to separation of service.

Death Benefit prior to Vesting

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

Death Benefit after Vesting

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

Termination of Employment and Vesting

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

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

Employee Contributions

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

Cost of Living Adjustment

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

Deferred Retirement Option Program "DROP"

Maximum period of 60 months following the date the member reaches his or her normal retirement date. Interest accrues at 6.5% annually.

Forfeiture of Pension

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

- (A) Specified offenses are as follows:
 - (1) The committing, aiding or abetting of an embezzlement of public funds;
 - (2) the committing, aiding or abetting of any theft by a public officer or employee from employer;
 - (3) bribery in connection with the employment of a public officer or employee;
 - (4) any felony specified in Chapter 838, Florida Statutes;
 - (5) the committing of an impeachable offense.
- (B) The committing of any felony by a public officer or employee who willfully and with intent to defraud the public or the public agency, for which he or she acts or in which he or she is employed, of the right to receive the faithful performance of his or her duty as a public officer or employee, realizes or obtains or attempts to obtain a profit, gain, or advantage for himself or for some other person through the use or attempted use of the power, rights, privileges, duties or position of his or her public office or employment position.

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

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

Source of Financing Plan

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

Applicable Regulations Governing Establishment, Operation and Administration of the Plan

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

Board of Trustees

Grace Hall, Chair
William Ackerman, Vice Chair
Rod Ley
John Phillips
Evelyn Roig

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: 10/1/2012

Employee group(s) covered: General
Date prepared: 1/9/2014

Number of plan participants:	309			
Actuarial Value of Plan Assets:	\$29,428,849			
Actuarial Accrued Liability (AAL):	\$37,774,639			
Unfunded Accrued Liability (UAL):	\$8,345,790			
Market Value of Plan Assets:	\$34,211,178		Averages for all plans with 2012 current actuarial valuation date	
Present Value of Accrued Benefits (PVAB):	\$31,101,485			
Funded Ratio (5-year history):	GASB	FASB	GASB	FASB
Current valuation	77.91%	110.00%	74.66% *	88.37% *
1 year prior	76.36%	97.38%	73.09% *	79.20% *
2 years prior	75.65%	101.51%	76.28% *	85.23% *
3 years prior	72.49%	94.62%	76.36% *	83.10% *
4 years prior	72.96%	93.83%	78.72% *	85.51% *
Rate of Return:	Actuarial Value, Actual (2012 Plan Year)	3.80%	6.60%	
	Market Value, Actual	16.98%	16.91%	
	Assumed	7.50%	7.66%	
Funding requirement as percentage of payroll:		26.70%	52.36%	**
Percentage of payroll contributed by employee:		0.00%	6.11%	**
Benefit Formula Description:	G = 2%; MGT = 3% X AFC X SC			
AFC Averaging Period (years):	VR			
Employees covered by Social Security?	No			

Actuarial Value of Plan Assets:	Assets calculated under an asset valuation method smoothing the effects of volatility in market value of assets. Used to determine employer contribution.
Market Value of Plan Assets:	Market Value of Assets less DROP Account Balances, if any.
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.
Present Value of Accrued Benefits:	The present value of pension benefits owed to employees under a pension plan's benefit formula without any projected salary or service increases.
Government Accounting Standards Board (GASB) Basis Funded Ratio:	Actuarial Value of Plan Assets divided by Actuarial Accrued Liability
Financial Accounting Standards Board (FASB) Basis Funded Ratio:	Market Value of Assets divided by Present Value of Accrued Benefits
Assumed Rate of Return:	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
AFC:	Average Final Compensation
SC:	Service Credit

*Adjusted by excluding plans from average whose Funded Ratios were not within two standard deviations from the mean
 **Plans with zero payroll excluded from averages