

October 23, 2019

VIA E-MAIL

Ms. Ferrell Jenne
Lead Plan Administrator
Foster & Foster, Inc.
2503 Del Prado Blvd. S., Suite 502
Cape Coral, FL 33904

Re: City of Tavares Police Officers' Pension Trust Fund
Section 112.664, Florida Statutes Compliance

Dear Ferrell:

Please find enclosed the annual disclosures that satisfy the October 1, 2018 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.

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:



Douglas H. Lozen, EA, MAAA
Enrolled Actuary #17-7778

Enclosures

cc via email: Scott Christiansen, Board Attorney
cc via email: Frank Wan, Investment Consultant

CITY OF TAVARES
POLICE OFFICERS' PENSION TRUST FUND

SECTION 112.664, FLORIDA STATUTES
COMPLIANCE

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.

By:  Date: 10/23/2019
Douglas H. Lozen, EA, MAAA
Enrolled Actuary #17-7778



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, 2018 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.

PROJECTION OF THE NUMBER OF YEARS ASSETS WILL SUSTAIN BENEFIT PAYMENTS

Table 1
Plan Assumptions: 7.75% and RP-2000 Generational Mortality

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
2071	20,774,753	-	337,191	-	1,596,977	22,034,539
2072	22,034,539	-	303,546	-	1,695,914	23,426,907
2073	23,426,907	-	271,468	-	1,805,066	24,960,505
2074	24,960,505	-	241,115	-	1,925,096	26,644,486
2075	26,644,486	-	212,498	-	2,056,713	28,488,701
2076	28,488,701	-	185,469	-	2,200,687	30,503,919
2077	30,503,919	-	160,079	-	2,357,851	32,701,691
2078	32,701,691	-	136,490	-	2,529,092	35,094,293
2079	35,094,293	-	114,954	-	2,715,353	37,694,692
2080	37,694,692	-	95,679	-	2,917,631	40,516,644
2081	40,516,644	-	78,827	-	3,136,985	43,574,802
2082	43,574,802	-	64,342	-	3,374,554	46,885,014
2083	46,885,014	-	52,085	-	3,631,570	50,464,499
2084	50,464,499	-	41,746	-	3,909,381	54,332,134
2085	54,332,134	-	33,133	-	4,209,456	58,508,457
2086	58,508,457	-	25,987	-	4,533,398	63,015,868
2087	63,015,868	-	20,158	-	4,882,949	67,878,659
2088	67,878,659	-	15,462	-	5,259,997	73,123,194
2089	73,123,194	-	11,742	-	5,666,593	78,778,045
2090	78,778,045	-	8,812	-	6,104,957	84,874,190
2091	84,874,190	-	6,525	-	6,577,497	91,445,162
2092	91,445,162	-	4,773	-	7,086,815	98,527,204
2093	98,527,204	-	3,438	-	7,635,725	106,159,491
2094	106,159,491	-	2,445	-	8,227,266	114,384,312
2095	114,384,312	-	1,710	-	8,864,718	123,247,320
2096	123,247,320	-	1,185	-	9,551,621	132,797,756
2097	132,797,756	-	807	-	10,291,795	143,088,744
2098	143,088,744	-	543	-	11,089,357	154,177,558
2099	154,177,558	-	358	-	11,948,747	166,125,947
2100	166,125,947	-	232	-	12,874,752	179,000,467
2101	179,000,467	-	147	-	13,872,530	192,872,850
2102	192,872,850	-	91	-	14,947,642	207,820,401
2103	207,820,401	-	57	-	16,106,079	223,926,423
2104	223,926,423	-	35	-	17,354,296	241,280,684
2105	241,280,684	-	21	-	18,699,252	259,979,915
2106	259,979,915	-	12	-	20,148,443	280,128,346
2107	280,128,346	-	7	-	21,709,947	301,838,286
2108	301,838,286	-	4	-	23,392,467	325,230,749
2109	325,230,749	-	3	-	25,205,383	350,436,129
2110	350,436,129	-	2	-	27,158,800	377,594,927
2111	377,594,927	-	1	-	29,263,607	406,858,533
2112	406,858,533	-	1	-	31,531,536	438,390,068
2113	438,390,068	-	-	-	33,975,230	472,365,298

*All DROP and Share Balances paid in 2018.

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 7.75% 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.

