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CITY OF GAINESVILLE
DISABILITY PENSION PLAN

2010 ACTUARIAL VALUATION REPORT

AUGUST 2011

ACTUARIAL VALUATION AS OF OCTOBER 1, 2010
TO DETERMINE CONTRIBUTIONS TO BE PAID
IN THE FISCAL YEAR BEGINNING OCTOBER 1, 2011

Actuarial Concepts

Actuarial Concepts
Management Advisors
Benefits Specialists

August 25, 2011

Mr. Mark S. Benton
Finance Director
City of Gainesville
P. O. Box 490
Gainesville, Florida 32602

Dear Mr. Benton:

This report presents the results of the 2010 actuarial valuation of the City of Gainesville Disability Pension Plan. Actuarial Concepts was retained by the City of Gainesville to perform the actuarial valuation and prepare this report. This actuarial valuation was prepared and completed by us or under our direct supervision, and we acknowledge responsibility for the results. To the best of our knowledge, the results are complete and accurate and, in our opinion, the techniques and assumptions used are reasonable and meet the provisions and intent of Part VII, Chapter 112 Florida Statutes. There is no benefit or expense to be provided by the Plan and/or paid from the Plan's assets for which liabilities or current costs have not been established or otherwise taken into account in the valuation. All known events or trends that require a material increase in Plan costs or required contribution rates have been taken into account in the valuation.

The use of the valuation results for financial or administrative purposes other than those outlined in the report is not recommended without an advance review by Actuarial Concepts of the appropriateness of such application.

Members of our staff are available to discuss this report and related issues.

Very truly yours,

ACTUARIAL CONCEPTS

By: Michael Tierney

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TABLE OF CONTENTS

SECTION 1

KEY VALUATION RESULTS SUMMARY

The 2010 valuation of the Disability Pension Plan presents a statement of the estimated financial position of the Plan as of October 1, 2010. Information in the report provides bases for determining contribution requirements.

Key Results Synopsis

The major conclusions of the report are:

- The City's funding requirement will be 0.34% of payroll for the fiscal year starting October 1, 2011.
- The Plan's liabilities have decreased due to Plan assumption changes, favorable disability incidence experience, and aggressive application of offset provisions.
- The unfunded actuarial accrued liability has been fully discharged and a significant surplus exists. The surplus will be held in a stabilization account and used to smooth future fluctuations in contribution requirements.

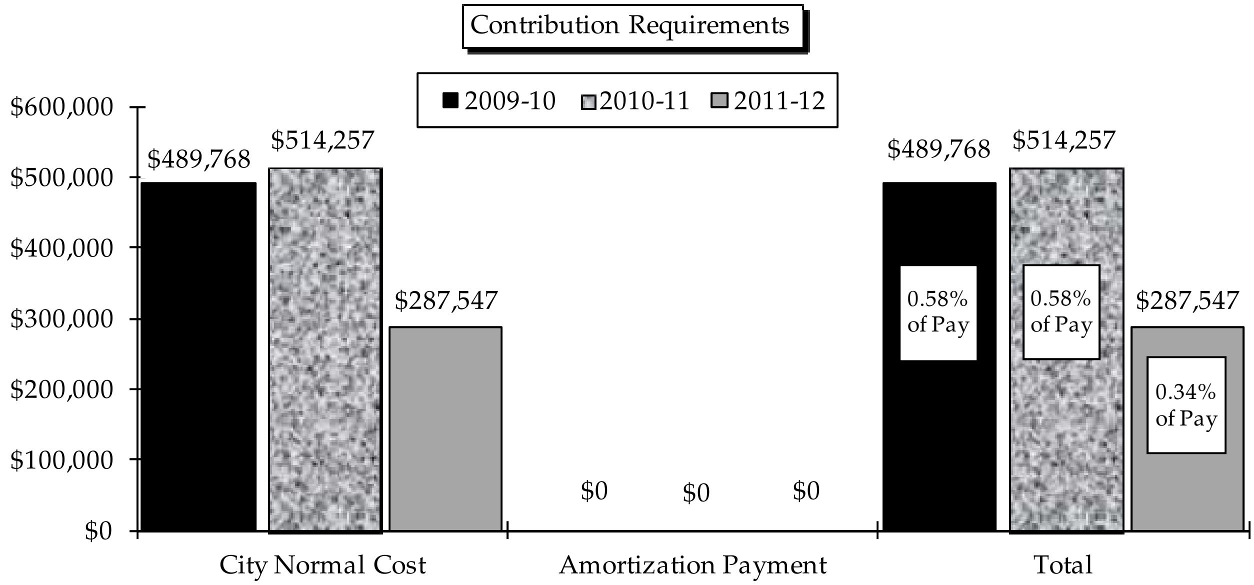
Changes Since Last Valuation

There have been no changes in the actuarial cost method since the last valuation. The Plan was changed to increase the maximum benefit allowed. The Plan assumptions were changed to decrease the assumed interest rate to 8.5% and the payroll growth rate to 4.5%. The assumed retirement rates were adjusted to reflect recent plan experience, and disability rates were reduced to take into account disability experience. Current FRS rates for general employee disability incidence were adopted. An assumption was also added for percentage of disabilities that are assumed to be in the line of duty equal to 33%.

Plan Experience

Actual experience under the Plan over the last 36-month period, in aggregate, was more favorable than anticipated by the actuarial assumptions, resulting in a net actuarial gain of approximately $634,000. This gain was generated mostly by the incidence of disabilities being less than assumed in the valuation.

City Contribution Requirements



Annual Requirements*	2009-10	2010-11	2011-12
Normal Cost	$ 489,768	$ 514,257	$ 287,547
UAAL Amortization	-	-	-
Total Required Contribution	$ 489,768	$ 514,257	$ 287,547

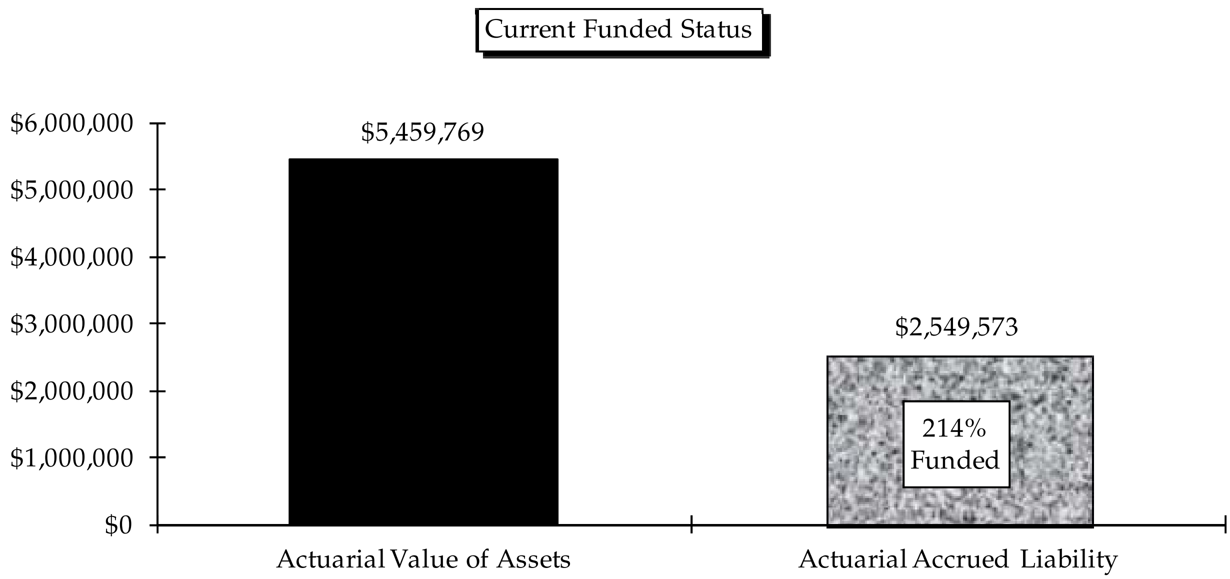
* The 2007 valuation determines contribution requirements for fiscal years 2008-2009, 2009-2010 and 2010-2011. The 2010 valuation determines contribution requirements for fiscal years 2011-2012 and 2012-2013.

For the 2009-10 plan year, the required City contribution rate (assumed payable monthly) is 0.58% of expected 2009-10 total annual payroll, or $489,768. This required contribution is equal to the normal cost; UAAL amortization payments are no longer applicable.

For the 2010-11 plan year, the required City contribution rate (assumed payable monthly) is 0.58% of expected 2010-11 total annual payroll, or $514,257 This required contribution is equal to the normal cost; UAAL amortization payments are no longer applicable.

For the 2011-12 plan year, the required City contribution rate (assumed payable monthly) is 0.34% of expected 2011-12 total annual payroll, or $287,547. This required contribution is equal to the normal cost; UAAL amortization payments are no longer applicable.

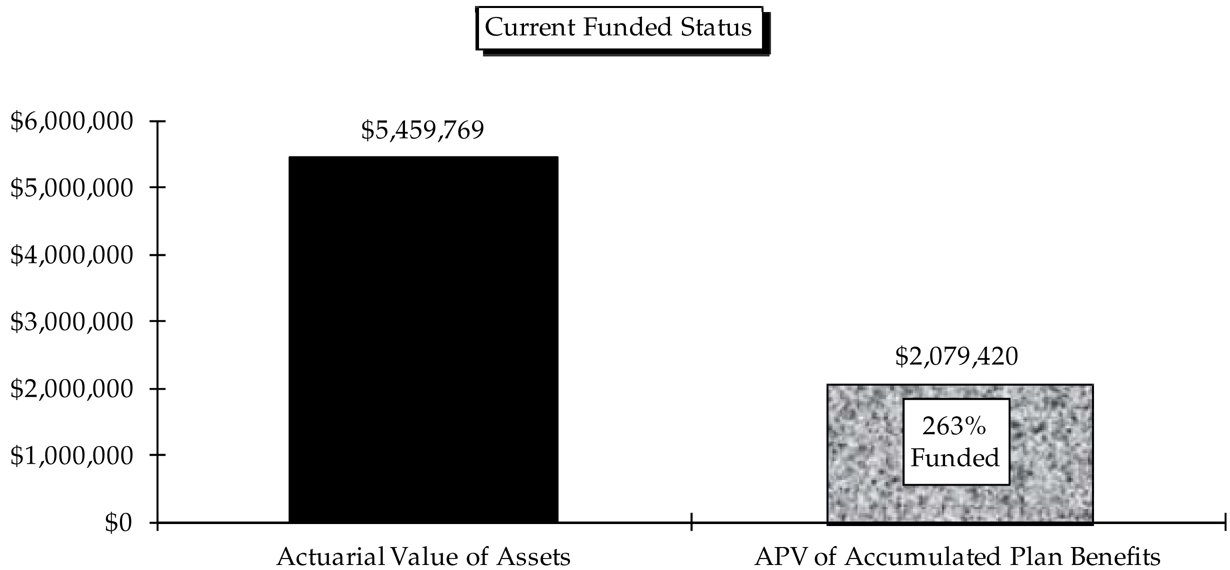
Current Funded Status – Actuarial Accrued Liabilities (AAL)



A comparison of assets with the AAL is often used to judge the progress to date of funding the "ultimate" liability associated with service earned to date. A common goal is to have 100% funding of the AAL, and a maturing plan's funded ratio should increase over time.

The AAL was developed using an assumed rate of interest discount of 8.5% and is compared to the actuarial value of assets. The Plan's current funded position is at 214%.

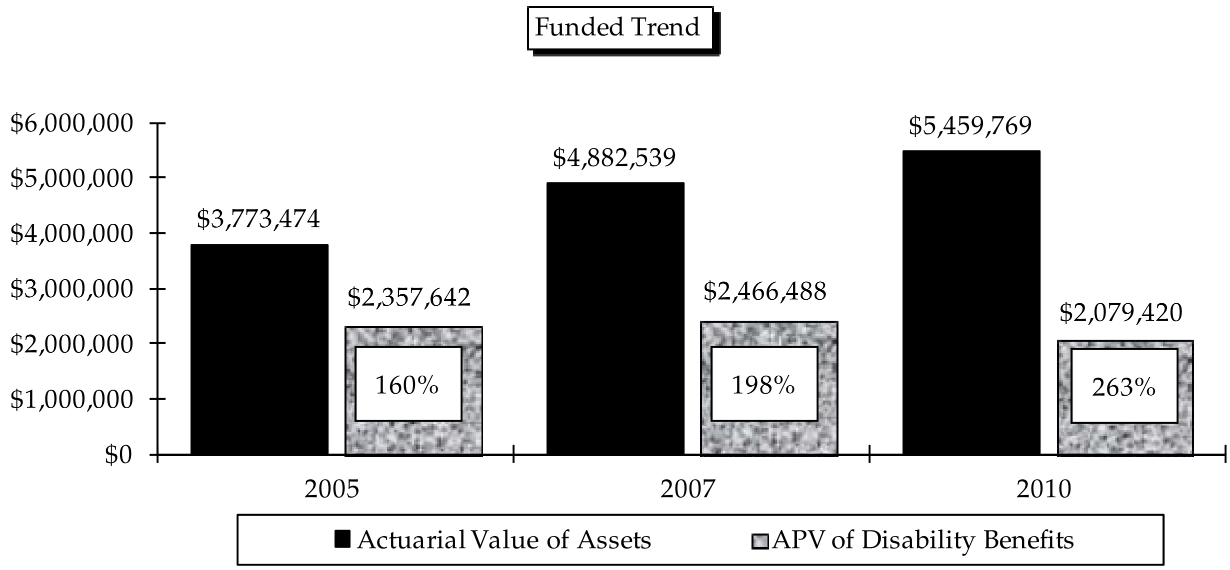
Current Funded Status - Current Liabilities



A comparison of current assets of the fund with the actuarial present value (APV) of disability benefits currently in payment status is presented to measure the Plan's current funded status. This measurement is often used as a measure of the liability if the Plan were to stop future benefit eligibility. It is called "current liability" since it is based only on current disability benefits, even though the actual payment of those benefits extends many years into the future.

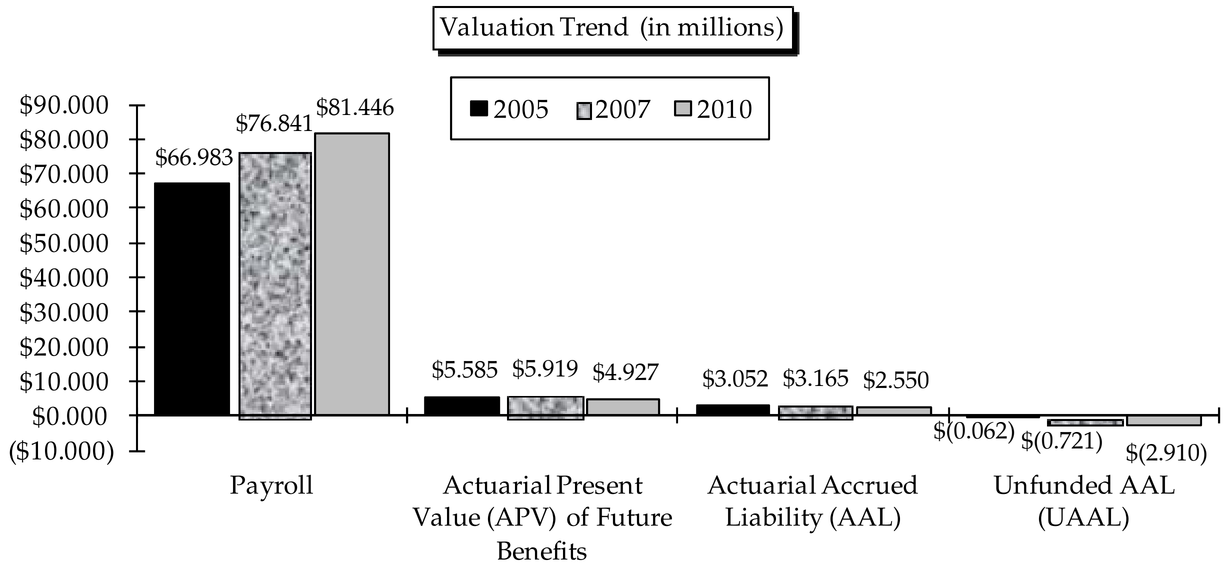
The disability benefit liability APVs were developed using the assumed rate of future investment return of 8.5%. On this basis the current liability is 263% funded.

Funded Trend



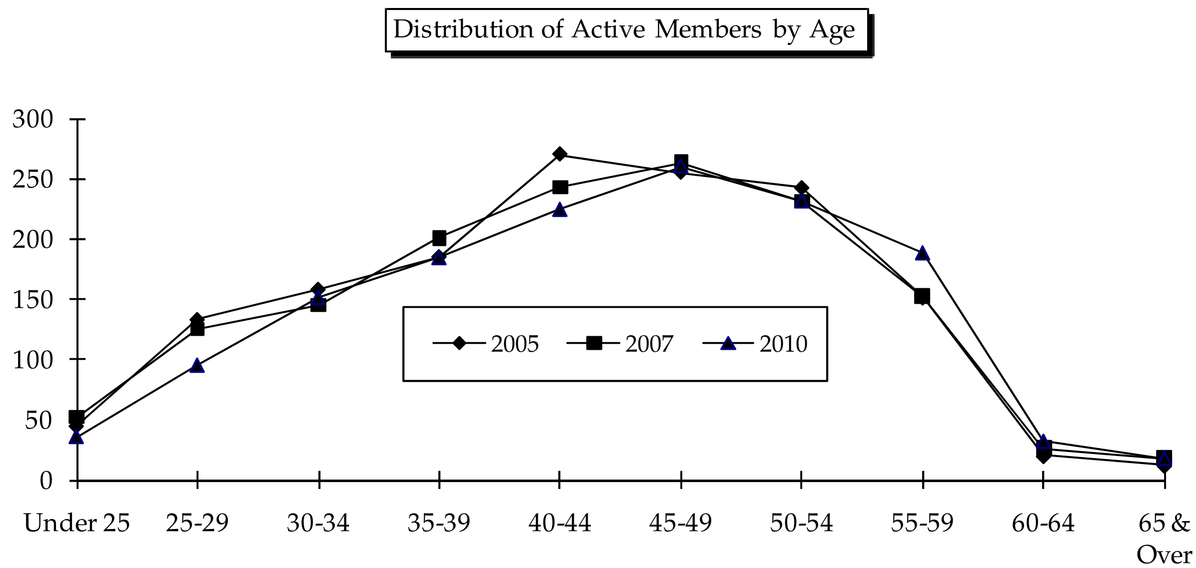
The funded percentage has increased significantly due to the changes in Plan assumptions, favorable disability incidence experience, and aggressive application of offset provisions.

Valuation Trend



Payroll has increased somewhat less than anticipated, while projected liabilities have increased less than expected since the last valuation due to favorable disability incidence experience. In general, in the absence of future large differences in experience versus the actuarial assumptions, APVs should assume a stable growth pattern.

Membership Trend



Additional information on all Plan members can be found in Appendix D.

True Costs

It should be noted that the true costs of a disability plan cannot be determined until its future unfolds. No one can precisely predict the interest earnings on fund assets, member disability rates, future salary levels, mortality experience, etc. Estimates based on experience with similar groups, along with the judgment of the actuary and the plan sponsor, can provide a reasonable approximation of this true cost. As actual experience emerges under the Plan, it will be necessary to study the continued appropriateness of the techniques and assumptions employed and to adjust the contribution rate as necessary.

SECTION 2

ACTUARIAL VALUATION DEVELOPMENT

Date and Basis of Valuation

Estimated liabilities with respect to the disability benefits provided by the City of Gainesville Disability Pension Plan and the contributions recommended to fund these liabilities have been determined as of October 1, 2010, based upon:

1. the provisions of the Plan, as in effect on October 1, 2010, as summarized in Appendix A;
2. the actuarial assumptions and actuarial cost method, as summarized in Appendix B;
3. the statement of fund assets at September 30, 2010, provided by the City, as summarized in Appendix C;
4. the member data as of September 30, 2010, provided by the City, as summarized in Appendix D.

The statement of fund assets has been supplied by the City. The member data has been supplied by the City and provided as an actual representation of the current participating group. While the member information was reviewed for overall reasonableness, Actuarial Concepts has relied on the City for this information and does not assume responsibility for either its accuracy or completeness.

Member Reconciliation

	Actives	Disabled Retirees
Members at 10/01/07	1,491	41
Increase (Decrease) Due to:		
Retirements	(148)	-
Disableds	(1)	1
New Entrants	378	
Terminations/Deaths	(252)	(4)
Other	13	(3)
Members at 10/1/10	1,481	35

2010 Valuation Table

1. Participation		
(a) Number of Active Members		1,481
(b) Number of Inactive Members		35
(c) Annual Valuation Payroll		$ 81,446,055
2. Actuarial Present Value (APV) of Future Benefits as of 10/1/10		
(a) Active Members		2,847,865
(b) Disabled Members		2,079,420
(c) Total		$ 4,927,285
3. APV Apportionment of line 2(c)*		
(a) APV of Total Future Normal Costs		2,377,712
(b) Actuarial Accrued Liability [(2c)-(3a)]		2,549,573
(c) Actuarial Value of Assets		5,459,769
(d) Unfunded AAL (UAAL) [(3b)-(3c)]		$ (2,910,196)
4. Breakdown of UAAL on line 3(d)		
(a) UAAL [3(d)]		(2,910,196)
(b) Change in UAAL Due to Assumption & Plan Changes		(134,323)
(c) UAAL Before Change [(4a)-(4b)]		$ (2,775,873)
(d) Expected UAAL		(2,141,875)
(e) Actuarial (Gain) Loss [(4c)-(4d)]		$ (633,998)
5. Development of City Normal Cost Rate**		**Percentage of Payroll**
(a) Plan Normal Cost	$ 243,970	0.29%
(b) Expense Normal Cost	43,577	0.05%
(c) Total Plan Normal Cost	$ 287,547	0.34%
(d) Amortization of UAAL	-	0.00%
(e) Total Required Plan Contribution [(5c)+(5d)]	$ 287,547	0.34%

* Calculated in accordance with the Individual Entry Age Actuarial Cost Method.

** Assumed payable in 12 equal installments at the end of each month beginning 10/31/11.

Explanation of Financial Values - Valuation Table

Actuarial Present Value (APV) of Future Benefits (line 2c)

The APV of future benefits is determined by first measuring what future disability benefit amount would be available for each member at various future dates (assuming future salary increases awarded) under disability conditions provided for by the Plan. Then the future value of those disability entitlements is determined by multiplying the various disability benefit amounts by the then current value of the annuities associated with those amounts. Finally, the APV of those future disability benefit values is determined by applying discounts to recognize the time value of money and probabilities of disability, death, termination of employment, etc.

APV of Total Future Normal Costs (line 3a)

The APV of future normal costs is that portion of the total APV of future disability benefits, as described above, that is assigned to future plan years by the Individual Entry Age Actuarial Cost Method (described in Appendix B).

Actuarial Accrued Liability (line 3b) and
Unfunded Actuarial Accrued Liability (line 3d)

The AAL and the UAAL (the AAL less the actuarial value of assets) are actuarial values generated under the Individual Entry Age Actuarial Cost Method, as described in Appendix B. These liability amounts are not the APV of disability benefits accrued to date by members. They are actuarially determined amounts based on the accrual of Individual Entry Age normal cost amounts due prior to the valuation date. The liability for disability benefits accrued to date (the APV of accrued disability benefits) is presented in Section 3.

Explanation of Financial Values - Funding Requirements

Plan Normal Cost (line 5)

The normal cost rate has been determined by first calculating for each member an individual yearly normal cost (that changes in dollar amount as pay increases, but is constant as a percent of each individual's pay), then adding together to obtain the Plan normal cost amount as of the beginning of the year. This preliminary total is then adjusted for interest credits assuming contributions are made monthly and an amount to allow for expected annual expenses.

Derivation of Current UAAL

Development of UAAL as of Valuation Date		
1. (a) Unfunded Actuarial Accrued Liability (UAAL) as of	10/1/07	$ (1,717,877)
(b) Payment Delay Effects		-
(c) UAAL Subject to Amortization		$ (1,717,877)
2. Normal Cost - Year Ended 9/30/08		425,491
3. Interest Accrued on (1) and (2)		(119,546)
4. Contributions - Year Ended 9/30/08		503,785
5. Interest Accrued on (4)		22,785
6. Expected UAAL at 10/01/08 [(1)+(2)+(3)-(4)-(5)]		(1,938,502)
7. Normal Cost - Year Ended 9/30/09		444,765
8. Interest Accrued on (6) and (7)		(138,171)
9. Contributions - Year Ended 9/30/09		487,901
10. Interest Accrued on (9)		22,066
11. Expected UAAL at 10/01/09 [(6)+(7)+(8)-(9)-(10)]		(2,141,875)
12. Normal Cost - Year Ended 9/30/10		467,003
13. Interest Accrued on (6) and (7)		(154,926)
14. Contributions - Year Ended 9/30/10		478,115
15. Interest Accrued on (9)		21,624
16. Expected UAAL at 10/01/10 [(6)+(7)+(8)-(9)-(10)]		(2,329,537)
17. Changes Due to:		
(a) Actuarial Assumptions		(1,215,162)
(b) Plan Amendments		1,080,839
(c) Actuarial (Gain)/Loss		(633,998)
(d) Total		$ (768,321)
18. UAAL at Valuation Date		(2,910,196)

SECTION 3
ANALYSIS OF VALUATION RESULTS

Discussion of Valuation Results

If the participating group remained unchanged and all the actuarial assumptions were realized, the Plan's experience would be as anticipated, and there would be no actuarial gain or loss. If the experience were less favorable than anticipated, an actuarial loss would result; if more favorable, an actuarial gain would result.

Actual experience under the Plan over the last 36-month period, in aggregate, was more favorable than anticipated by the actuarial assumptions, resulting in a net actuarial gain of approximately $634,000. This gain was generated mostly by the incidence of disabilities being less than assumed in the valuation.

Future valuations will monitor the Plan's experience to determine whether actuarial gains or losses have occurred since the previous valuation. Recognition of these actuarial gains or losses will be made through adjustments to the UAAL and amortized over the same period as used for the pre-adjusted UAAL.

It should be noted that the true costs of a disability plan cannot be determined until its future unfolds. No one can precisely predict the interest earnings on fund assets, member termination rates, future salary levels, mortality experience, etc. Estimates based on experience with similar groups, along with the judgment of the actuary and the Plan sponsor, can provide a reasonable approximation of this true cost. As actual experience emerges under the Plan, it will be necessary to study the continued appropriateness of the techniques and assumptions employed and to adjust the contribution rate as necessary.

Comparison of Valuation Results

1. Member Data	10/1/07	10/1/10 Before Plan Changes	10/1/10 Before Assumption Changes	10/1/10
(a) Active Members	1,491	1,481	1,481	1,481
(b) Disableds	41	35	35	35
(c) Total Anticipated Payroll for Next 12 Months	$76,840,947	$81,446,055	$81,446,055	$81,446,055
(d) Actuarial Present Value (APV) of Future Valuation Payroll	447,670,908	480,955,357	480,955,357	765,660,300
(e) Total Annual Benefit Payments	357,120	262,092	262,092	262,092
2. Assets				
(a) Market Value	4,882,539	5,459,769	5,459,769	5,459,769
(b) Actuarial Value	4,882,539	5,459,769	5,459,769	5,459,769
3. Liabilities				
(a) APV of Future Benefits				
(1) Active Members	3,452,114	3,635,303	6,454,760	2,847,865
(2) Disabled Members	2,466,488	1,983,294	1,983,294	2,079,420
(3) Total	5,918,602	5,618,597	8,438,054	4,927,285
(b) APV of Vested Accrued Benefits	2,466,488	1,983,294	1,983,294	2,079,420
(c) APV of All Accrued Benefits	5,341,692	5,260,106	7,116,810	4,251,814
(d) Actuarial Accrued Liability (AAL)	3,164,662	2,683,896	3,764,735	2,549,573
(e) Unfunded AAL (UAAL)	(1,717,877)	(2,775,873)	(1,695,034)	(2,910,196)
4. Contribution Requirements* for Year Ended	09/30/10	09/30/12	09/30/12	09/30/12
(a) Plan Normal Cost**	$ 489,768	$ 513,899	$ 790,217	$ 287,547
(b) Amortization Payment	-	-	-	-
(c) Total Plan Requirements*	$ 489,768	$ 513,899	$ 790,217	$ 287,547
(d) Total City Requirement Adjusted to End of Year	485,906	535,338	823,183	298,585
5. Past Contributions for Year Ended	09/30/08	09/30/09	09/30/10	
(a) Contribution Required by City as of End of Year	442,714	485,906	510,201	
(b) Actual City Contributions Paid	503,785	487,901	478,115	
(c) Actual City Contribution Interest Adjusted to End of Year	526,570	509,967	499,739	

* Assumed payable at the end of each month as determined from applicable actuarial valuation.

** Includes administrative expenses as of end of year for the years indicated: $ 40,547 $ 45,780 $ 45,780 $ 45,250

Comparison of Actual and Assumed Salary Increases

Period Ended September 30	Actual Rate of Increase	Assumed Rate of Increase
2004	9.35%	5.36%
2005	1.75%	5.59%
2006	11.83%	5.46%
2007	7.91%	5.61%
2008	6.14%	5.63%
2009	4.40%	5.68%
2010	3.00%	5.77%

Comparison of Actual and Assumed Investment Returns*

Period Ended September 30	Actual Rate of Return*	Assumed Rate of Return
2005	2.80%	9.25%
2006	7.23%	9.25%
2007	12.84%	9.25%
2008	-9.05%	9.25%
2009	1.39%	9.25%
2010	10.63%	9.25%

*Based on actuarial value of assets.

CITY OF GAINESVILLE
DISABILITY PENSION PLAN

SUMMARY OF PLAN PROVISIONS THAT AFFECT THE VALUATION

Definitions

1. Member: All full-time, permanent employees of the City of Gainesville (except police officers and firefighters) are eligible for membership in the Plan upon date of hire, including those employees no longer eligible for disability benefits because they have reached normal retirement eligibility under the General Employees' Pension Plan, and including management employees with more than 20 years of service assuming they would then be eligible for normal retirement and no longer eligible for disability benefits.

2. Member Contributions: None.

3. Earnings: Pay received by a Member as compensation for services to the City, including vacation termination pay, overtime pay, longevity pay and certain other specified pay.

4. Average Monthly Earnings: The average of a Member's monthly Earnings for the 36 consecutive months that produce the highest average, as of the date of benefit determination.

5. Disability Benefit:

   Eligibility
   In-Line-of-Duty — All Plan members.
   Not-in-Line-of-Duty — Completion of at least five consecutive years as a regular employee.

   Amount
   A monthly benefit payable for life or until termination of disability or until superseded by retirement benefits earned under the General Employees' Pension Plan equal to the Member's Average Monthly Earnings times the greater of his/her years of creditable service times 2% with

a minimum 42% for in-line-of-duty disability and 25% for not-in-line-of-duty, offset by (i) retirement benefits* in payment status, and (ii) his/her disability benefit percentage, up to a maximum of 50%, multiplied by the initial monthly Social Security Primary Insurance Amount—whether or not in payment status—to which a Member is entitled. Benefit is limited to $3,750 per month or an amount equal to his/her maximum benefit percentage with the above reductions, payable beginning the month of disability or the month following the termination of sick leave payments.

* The disability benefit shall only be reduced by the amount of early or normal retirement benefit that is attributable to City contributions.

CITY OF GAINESVILLE
DISABILITY PENSION PLAN

SUMMARY OF ACTUARIAL ASSUMPTIONS AND ACTUARIAL COST METHOD

Actuarial Assumptions

1. Investment Return: 8.5% per annum, compounded annually*; net of investment expense.

2. Salary Increase Rate:

Years of Service	Rate*
6 and Under	7.00%
7 - 11	6.00
12 - 16	4.00
Over 16	3.75

3. Mortality Rates: RP-2000 Mortality Table

	Probability of Death Within One Year After Attaining Age Shown	
Age	Male	Female
25	0.04%	0.02%
35	0.08	0.05
45	0.15	0.11
55	0.36	0.27
65	1.27	0.97

4. Mortality Rates - Disabled Lives: RP-2000 Disability Mortality Table

	Probability of Death Within One Year After Attaining Age Shown	
Age	Male	Female
25	2.26%	0.75%
35	2.26	0.75
45	2.26	0.75
55	3.54	1.65
65	5.02	2.80

*Includes underlying long-term rate of inflation of 3.75% per annum.

5. Termination Rates:

Probability of Terminating Service
(for reasons other than death, disability
or retirement) Within One Year
After Attaining Age and Service Shown

Males

	Years of Service					
Age	0 - 1	1 - 2	2 - 3	3 - 4	4 - 5	5+
Under 30	14.0%	12.0%	8.0%	6.0%	5.0%	4.0%
30 - 34	14.0	12.0	8.0	6.0	5.0	3.0
35 - 39	14.0	12.0	8.0	6.0	5.0	2.5
40 - 64	14.0	12.0	8.0	6.0	5.0	2.0
65 and Over	14.0	12.0	8.0	6.0	5.0	0.0

Females

	Years of Service					
Age	0 - 1	1 - 2	2 - 3	3 - 4	4 - 5	5+
Under 30	22.0%	16.0%	13.0%	11.0%	10.0%	7.0%
30 - 34	22.0	16.0	13.0	11.0	10.0	5.0
35 - 39	22.0	16.0	13.0	11.0	10.0	4.0
40 - 64	22.0	16.0	13.0	11.0	10.0	3.0
65 and Over	22.0	16.0	13.0	11.0	10.0	0.0

6. Retirement Rates:

Probability of Retiring Within One Year
After Attaining Age and Service Shown

	Years of Service					
Age	0 - 9	10 - 19	20	21 - 24	25 - 26	27+
56 & Under	0.0%	7.5%	20.0%	5.0%	10.0%	25.0%
57 - 59	0.0	7.5	30.0	7.5	10.0	25.0
60 - 64	0.0	7.5	30.0	30.0	10.0	25.0
65 & Over	0.0	33.0	50.0	30.0	20.0	100.0

7. Disability Rates:

Age	Probability of Disability Within One Year After Attaining Age Shown — Male	Female
25	0.030%	0.010%
35	0.073	0.048
45	0.188	0.165
55	0.523	0.478

8. Growth Rate of Future Membership Payroll: 4.5% per year.

9. Plan Expenses: Actual annual administrative expenses incurred since the last valuation reflected in normal cost.

10. Actuarial Value of Assets: Market value.

11. Percentage of Disabilities: One-third in line of duty; two-thirds not in line of duty.

Actuarial Cost Method

The Individual Entry Age Actuarial Cost Method was used. Under this method, the cost of each member's projected disability benefit is funded through a series of annual payments, determined as a level percentage of each year's earnings, from age at hire to assumed exit age. This level percentage, known as normal cost, is thus computed as though the Plan had always been in effect. A yearly normal cost for each member is individually determined by multiplying each member’s level percentage by the applicable yearly earnings, then adding together to obtain the normal cost amount for the Plan for that year. The accrued value of normal cost payments due prior to the valuation date is termed the actuarial accrued liability (AAL). This amount minus actuarial value of assets is known as the unfunded actuarial accrued liability (UAAL). The annual cost of a plan consists of two components: normal cost and a payment, which may vary between prescribed limits, toward the UAAL.

Actuarial gains (or losses), a measure of the difference between actual experience and that expected based upon the actuarial assumptions during the period between two valuation dates, as they occur, reduce (or increase) the UAAL.

It is intended that any UAAL that exists as of any valuation date (currently there is no UAAL to amortize) be amortized over a 15-year period from inception through monthly contributions expressed as a level percentage of each month's total payroll, incorporating an assumption that future payroll will grow at the rate of 4.5% per year. Future changes in a UAAL resulting from actuarial gains or losses, ordinance changes or changes in actuarial assumptions will be amortized over a 15-year period.

Wherever a surplus exists (when the UAAL is negative), the assets in excess of the AAL will be held in a stabilization fund. If the total Plan assets exceed the APV of future Plan liabilities, normal cost payments otherwise due will be met with such excess, and City contribution requirements will be reduced temporarily by the same amount.

Miscellaneous Valuation Procedures

1. Benefits for current and future disabled employees were assumed to be payable for life. Upon eligibility for benefits, reductions were assumed to apply 100% of the time for retirement benefits under the General Employees' Pension Plan and 30% of the time for Social Security benefits; and benefits were limited to the monthly restriction of $3,750.

2. No recovery from disability was assumed. Any differences in the liabilities due to the probability of recovery for current and future disabled employees was expected to be minor, and this simplification will tend to overstate somewhat expected liabilities, thus producing a somewhat conservative result.

3. Covered payroll is the amount of total salaries paid from October 1, 2009, through September 30, 2010, for employees who are currently active members in the Plan plus employees who are actively at work but are no longer eligible for the Plan because they have more than 20 years of service with the City. Valuation payroll is payroll expected to be paid during the 2010-11 fiscal year, determined using covered payroll and the payroll growth assumption. Anticipated 2011-12 payroll assumes valuation payroll will grow at the payroll growth rate.

CITY OF GAINESVILLE
DISABILITY PENSION PLAN

TRUST FUND BALANCE AS OF 9/30/10

	Market Value
Cash and Equivalent	$ -
Equity in Pooled Cash	276,922
International Equities	-
Mutual Funds	5,183,632
Fixed Income	-
Alternative Investments	-
Accounts Payable	(785)
Total	$ 5,459,769

CITY OF GAINESVILLE
DISABILITY PENSION PLAN

ANALYSIS OF CHANGES IN ACTUARIAL VALUE OF ASSETS

Actuarial Value of Assets as of 9/30/07	$ 4,882,539
Add:	
Employer Contributions	
General Government	202,518
GRU	301,267
Realized Gains (Losses)	12,764
Unrealized Gains (Losses)	(585,153)
Interest and Dividends	125,595
Total Additions	$ 56,991
Deduct:	
Benefit Payments	346,874
Other Expenses	51,292
Total Deductions	$ 398,166
Actuarial Value of Assets as of 9/30/08	$ 4,541,364
Add:	
Employer Contributions	
General Government	199,268
GRU	288,633
Realized Gains (Losses)	(255,168)
Unrealized Gains (Losses)	230,845
Interest and Dividends	112,553
Total Additions	$ 576,131
Deduct:	
Benefit Payments	290,207
Investment Expenses	23,853
Administrative Expenses	33,184
Total Deductions	$ 347,244
Actuarial Value of Assets as of 9/30/09	$ 4,770,251

CITY OF GAINESVILLE
DISABILITY PENSION PLAN

ANALYSIS OF CHANGES IN ACTUARIAL VALUE OF ASSETS

Actuarial Value of Assets as of 9/30/09	$ 4,770,251
Add:	
Employer Contributions	
General Government	192,661
GRU	285,454
Realized Gains (Losses)	152,222
Unrealized Gains (Losses)	251,872
Interest and Dividends	116,488
Total Additions	$ 998,697
Deduct:	
Benefit Payments	268,829
Investment Expenses	4,500
Administrative Expenses	35,850
Total Deductions	$ 309,179
Actuarial Value of Assets as of 9/30/10	$ 5,459,769

CITY OF GAINESVILLE
DISABILITY PENSION PLAN

CURRENT PLAN MEMBERS

	Actives	Disabled Retirees
10/01/10 Members	1,481	35

INACTIVE MEMBERS 10/01/10

	Number	Annual Benefit Amount
Disableds Receiving Payments	35	$ 262,092

CITY OF GAINESVILLE
DISABILITY PENSION PLAN

DISTRIBUTION OF ACTIVE MEMBERS BY ATTAINED AGE AND COMPLETED YEARS OF VESTING SERVICE AS OF 10/01/10

	Completed Years of Service											
Attained Age	0	1	2	3-4	5-9	10-14	15-19	20-24	25-29	30-34	35 & Ove	Total
Under 25	8	9	13	4	2	0	0	0	0	0	0	36
25-29	11	8	17	36	22	1	0	0	0	0	0	95
30-34	9	15	24	31	51	19	2	0	0	0	0	151
35-39	5	13	18	28	66	34	20	0	0	0	0	184
40-44	6	16	24	34	59	41	26	16	2	0	0	224
45-49	8	12	14	40	54	46	35	33	18	0	0	260
50-54	3	9	12	33	42	47	29	26	29	1	0	231
55-59	7	6	12	22	34	46	15	22	18	1	5	188
60	2	1	3	0	5	2	9	3	5	1	1	32
61	1	0	1	3	4	3	1	2	2	1	0	18
62	0	0	2	1	4	4	2	5	0	0	0	18
63	0	0	1	2	3	3	3	0	1	0	1	14
64	0	0	1	1	2	3	0	2	0	0	0	9
65 & Over	0	1	1	1	10	3	1	3	0	1	0	21
Total	60	90	143	236	358	252	143	112	75	5	7	1481

Average Age at Entry = 35.5
Average Age at Valuation = 45.3
Average Years of Service = 9.9

CITY OF GAINESVILLE
DISABILITY PENSION PLAN

DISTRIBUTION OF ACTIVE MEMBERS AND ANNUALIZED EARNINGS BY AGE AS OF 10/01/10

Attained Age	Number	2009-2010 Earnings	Average Earnings
Under 25	36	$ 938,046	$ 26,057
25-29	95	3,553,393	37,404
30-34	151	6,947,134	46,008
35-39	184	9,346,123	50,794
40-44	224	11,611,354	51,836
45-49	260	14,430,807	55,503
50-54	231	13,414,301	58,071
55-59	188	10,197,229	54,241
60	32	1,795,046	56,095
61	18	983,539	54,641
62	18	1,046,409	58,134
63	14	714,437	51,031
64	9	666,590	74,066
65 & Over	21	900,364	42,874
Total	1,481	$76,544,772	$ 51,685

CITY OF GAINESVILLE
DISABILITY PENSION PLAN

Accumulated Plan Benefits

	10/1/07 *	10/1/10 **
1. APV of Vested Accrued Benefits		
(a) Vested Terminated Participants	$ -	$ -
(b) Retirees and Beneficiaries	-	-
(c) Disabled Participants	2,466,488	2,079,420
(d) Active Participants	-	-
(e) Total APV of Vested Accrued Benefits	$ 2,466,488	$ 2,079,420
2. APV of Nonvested Accrued Benefits	-	-
3. APV of Accumulated Plan Benefits [(1)+(2)]	$ 2,466,488	$ 2,079,420
4. Actuarial Value of Assets	4,882,539	5,459,769
5. Excess (if any) of APV of Accumulated Plan Benefits over the Actuarial Value of Assets [(3)-(4)]	-	-
6. Percent Funded [(4)/(3)]	198%	263%

Statement of Changes in Accumulated Plan Benefits

1. APV of Accumulated Plan Benefits at 10/1/07 *	$ 2,466,488
2. Increase (Decrease) During the Year Attributable to:	
(a) Plan Amendment	-
(b) Change in Actuarial Assumptions	96,126
(c) Benefit Payments	(905,910)
(d) Change in Benefits and APV Factors	422,716
3. APV of Accumulated Plan Benefits at 10/1/10 **	$ 2,079,420

* Actuarial present values based on RP2000 Group Annuity Mortality Table at 9.25% interest and assumed rates of decrement as summarized in Appendix B of the 2007 report.

** Actuarial present values based on RP2000 Group Annuity Mortality Table at 8.5% interest and assumed rates of decrement as summarized in Appendix B of this report.