

991003

City of Gainesville

General Employees' Pension Plan

and

Disability Pension Plan

1998 Valuation Results

January 2000

**Actuarial
Concepts**

Valuation Results - Concepts

- **Actuarial Present Value (APV)**
 - Interest discount
 - Event discount
- **APV of Future Benefits**
 - Projected service to retirement
 - Projected salary to retirement

Pension & Disability Plans Combined

Contribution Requirements

	<u>Contributions</u> (in millions)	<u>% of Payroll</u>
<u>1998-99 Year</u>		
City	\$1.961	4.34%
Employees	\$1.908	4.62%
<u>1999-2000 Year</u>		
City	\$1.988	4.35%
Employees	\$1.522	3.51%

Actuarial

Concepts

Pension Plan

Contribution Requirements

	<u>Contributions</u> (in millions)	<u>% of Payroll</u>
<u>1998-99 Year</u>		
City	\$1.198	2.90%
Employees	\$1.908	4.62%
<u>1999-2000 Year</u>		
City	\$1.396	3.22%
Employees	\$1.522	3.51%

Actuarial

Concepts

Disability Plan

Contribution Requirements

	<u>Contributions</u> (in millions)	<u>% of Payroll</u>
<u>1998-99 Year</u>		
City	\$0.763	1.44%
Employees	\$0.000	0.00%
<u>1999-2000 Year</u>		
City	\$0.592	1.13%
Employees	\$0.000	0.00%

Actuarial

Concepts

Pension & Disability Plans

Assumptions Modified

- **Pension Plan**
 - Gas Co. expected retirement incidence now equal to those of all other active members

- **Disability Plan**
 - Recognize \$1,500 monthly maximum benefit
 - Recognize offsets for:
 - future pension benefits--100% of the time
 - future Social Security benefits--30% of the time

Actuarial

Concepts

Pension & Disability Plans

Funding Method - Entry Age

- Unchanged - both plans

Plan Provisions

- Unchanged - both plans

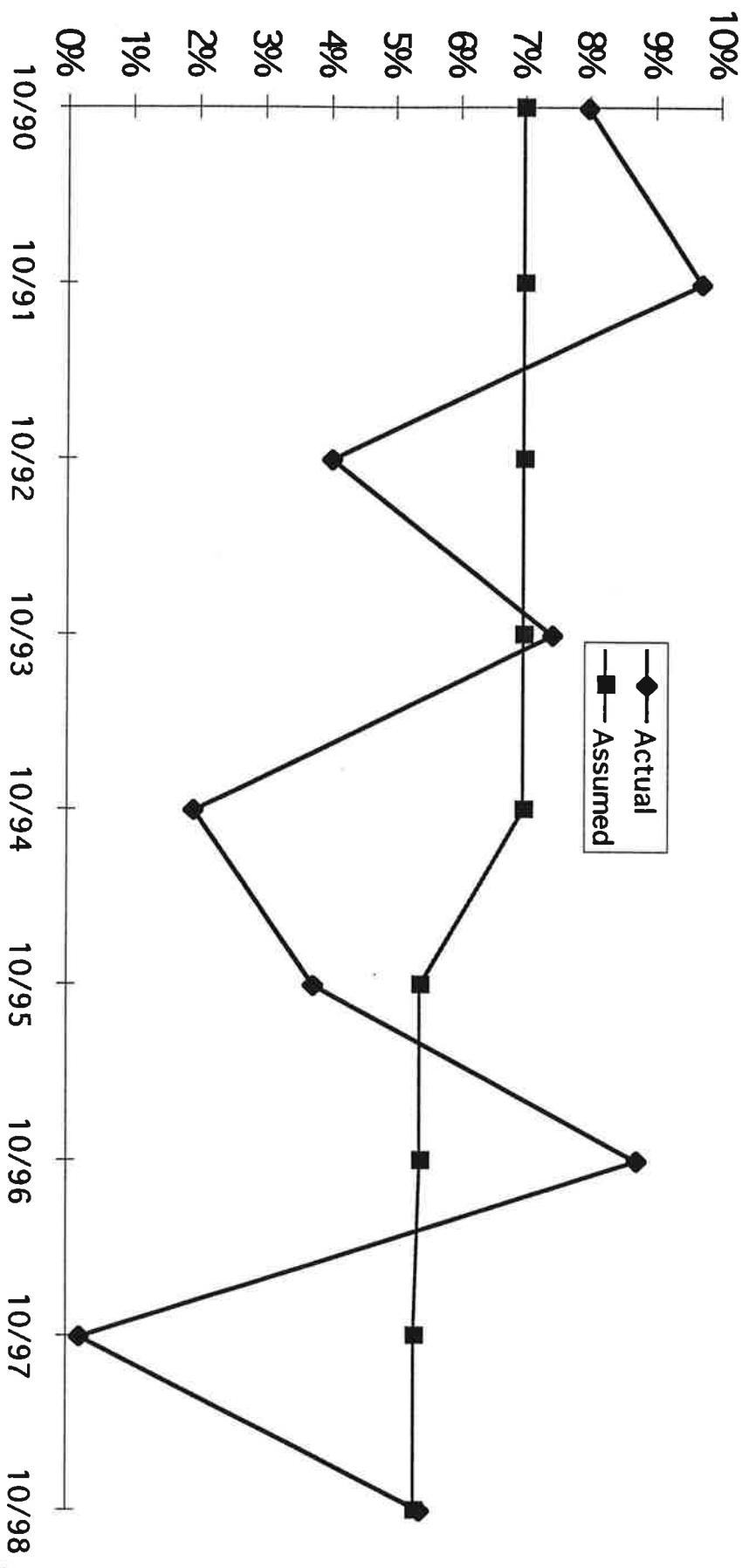
Pension & Disability Plans

Plan Experience 24 Months Ended 9/30/98

- **Salary Increase Less than Assumed**
 - Similar for both plans
 - 2.60% per year over past two years versus 5.32% average valuation assumption
 - Net Actuarial Gain

Pension Plan

Salary Increases



Actuarial

Concepts

Pension & Disability Plans

Plan Experience 24 Months Ended 9/30/98

- Investment Return

Pension Plan

- Greater than assumed
- 10.61% per year over past two years versus 9.50% valuation assumption
- Net actuarial gain

Disability Plan

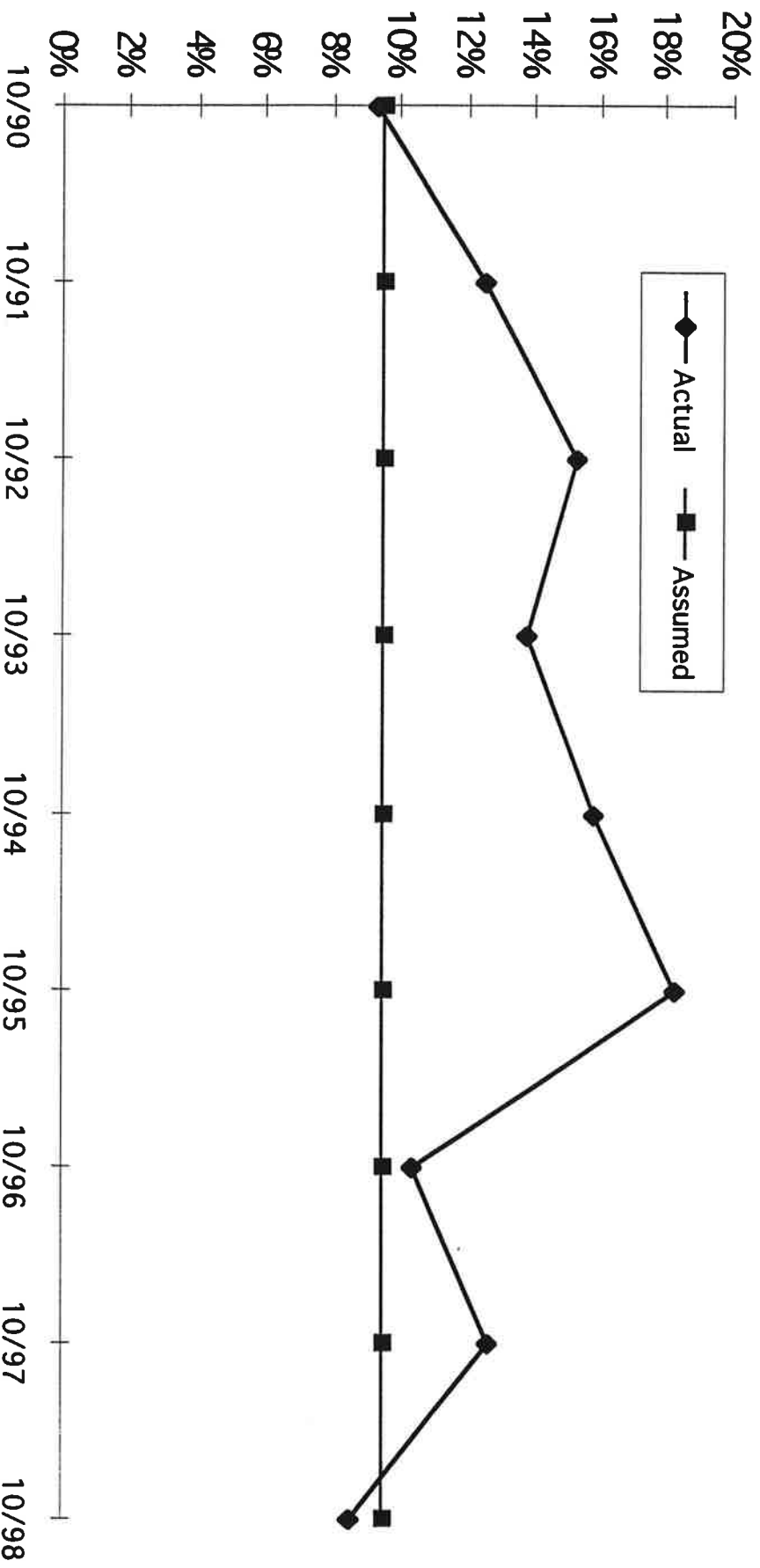
- Less than assumed
- 1.82% per year over past two years versus 9.50% valuation assumption
- Net actuarial loss

Actuarial

Concepts

Pension Plan

Investment Return

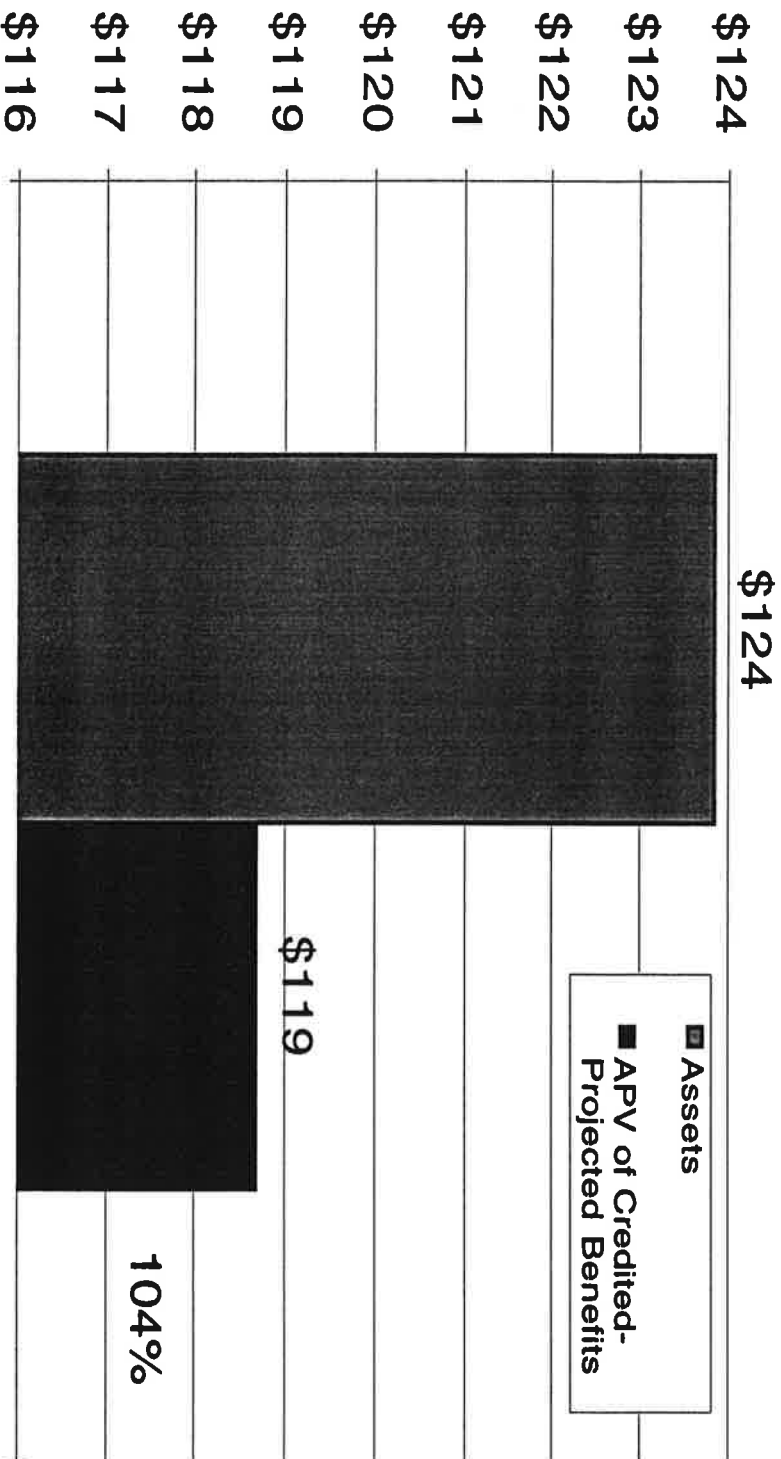


Actuarial

Concepts

Pension & Disability Plans Combined

Current Funded Status Projected Liabilities (in millions)

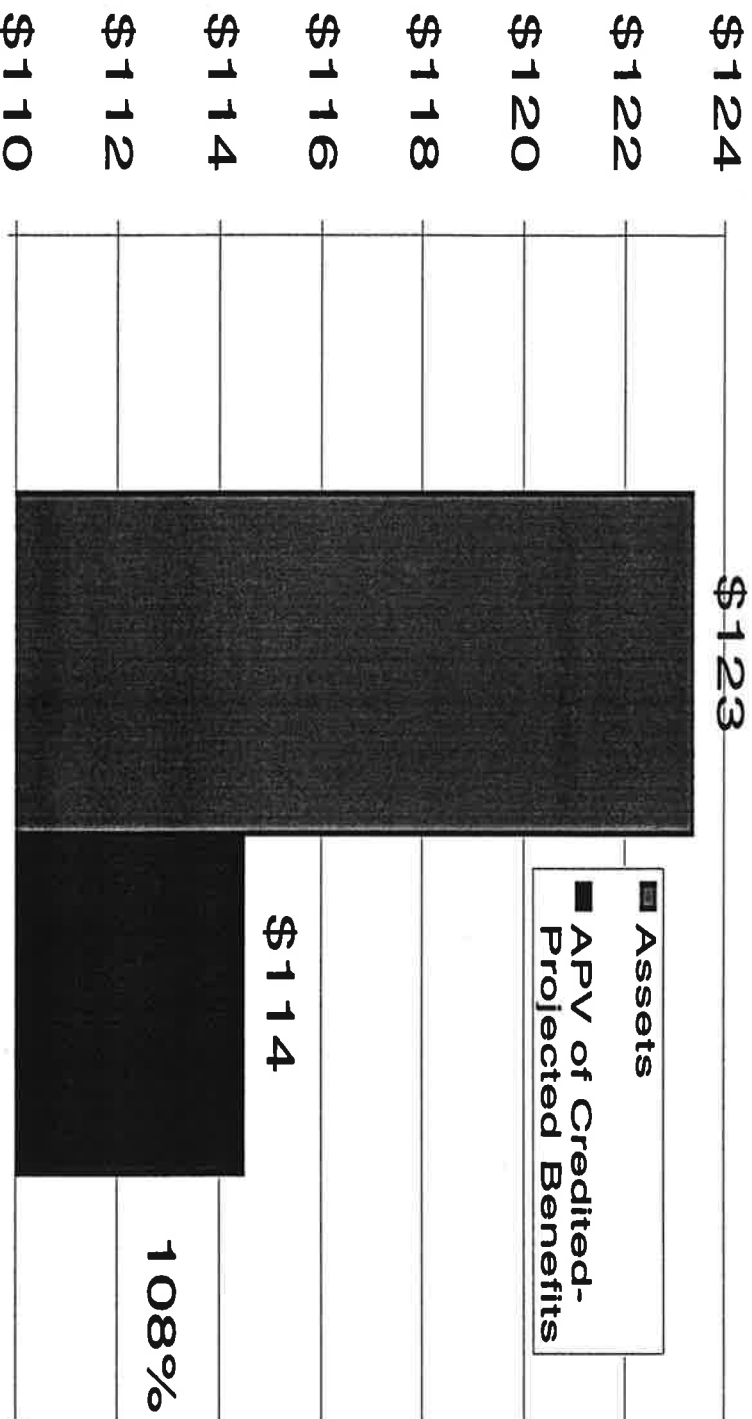


Actuarial

Concepts

Pension Plan

Current Funded Status Projected Liabilities (in millions)

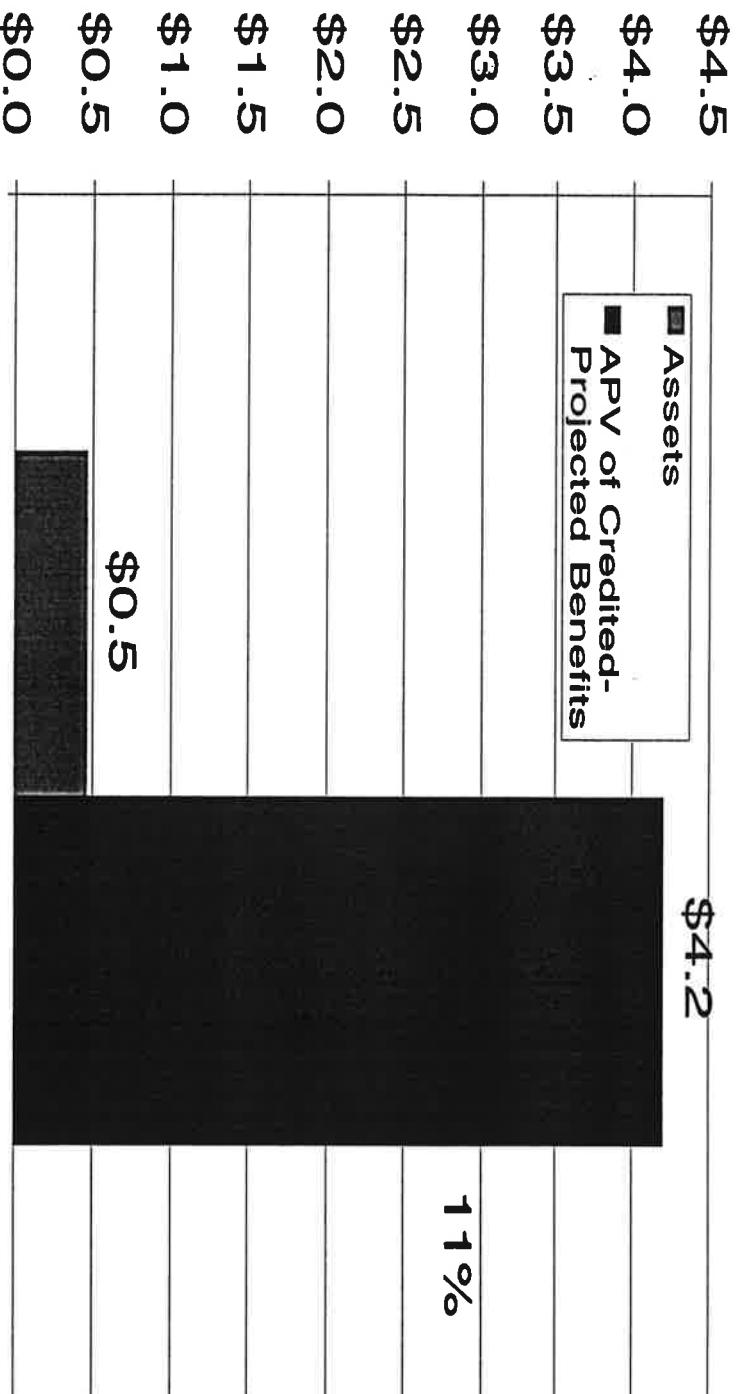


Actuarial

Concepts

Disability Plan

Current Funded Status Projected Liabilities (in millions)



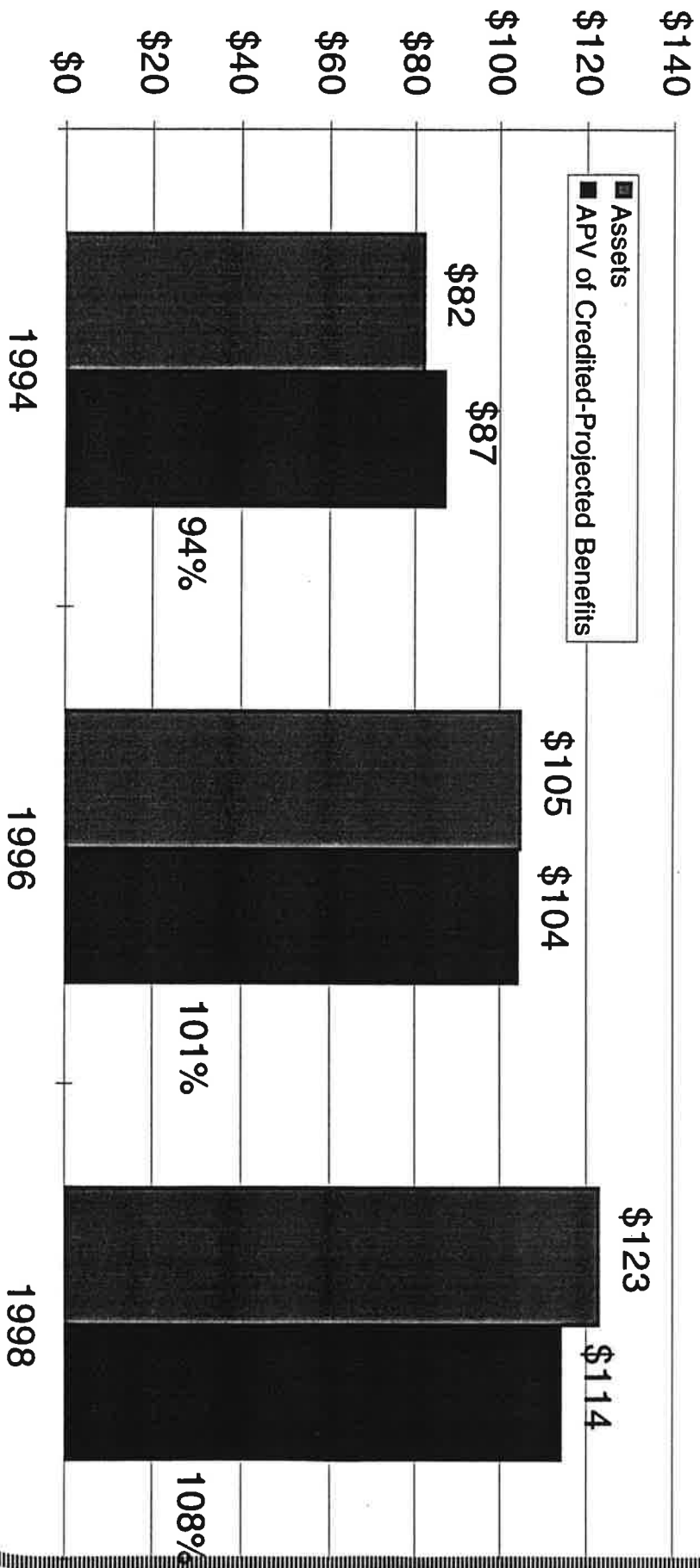
Actuarial

Concepts

Pension Plan

Funded Trend

(in millions)



Actuarial

Concepts