



Legislation Text

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Actuarial Valuation Reports for the City of Gainesville General Employees' Pension Plan and the City of Gainesville Retiree Health Insurance Plan (B)

The City receives periodic actuarial valuation reports on its pension and retiree health insurance plans. For the fiscal year ending September 30, 2000, reports for the General Employees' Pension Plan and Retiree Health Insurance Plan were prepared by Actuarial Concepts. Mr. Michael J. Tierney will present the results of the valuations.

The fiscal impact is quantified in the valuation reports as a rate expressed in terms of a percentage of covered payroll. The recommended City contribution rate for the General Employees' Pension Plan effective October 1, 2001 is decreasing from 5.02% to 4.52%. Based on the covered payroll projection for the General Employees' Pension Plan, the estimated City contribution for Fiscal Year 2002 will be \$2,368,312. The recommended City contribution rate for the Retiree Health Insurance Plan is increasing from 2.99% to 3.89%. Based on the covered payroll projection, the required City contribution for Fiscal Year 2002 will be \$3,010,216. The FY 2002 budgets for both General Government and GRU will be modified to reflect the new rates. Both entities will have to identify funds to cover the net increase realized between the two rates.

The City Commission: 1) hear a presentation from Michael J. Tierney of Actuarial Concepts; 2) accept the respective valuation reports; and, 3) set the contribution rates.