



Legislation Text

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2016 Actuarial Valuation Report for the City of Gainesville General Employees' Retirement Plan (B)

This item is a submission of the Gainesville General Employees' Retirement Plan Actuarial Valuation Report as of October 1, 2016 to the Board of Trustees for the General Employees' Retirement Plan.

The 2016 City Of Gainesville General Employees' Retirement Plan Actuarial Valuation Report presents a statement of the financial position of the General Employees' Retirement Plan (the Plan) as of October 1, 2016 to the Board of Trustees for the General Employees' Retirement Plan. The actuarial valuation process assesses the fiscal status of the Plan, and is used to determine the annual contributions to the Plan which is expressed as a percentage of the covered payroll of active Plan members. The 2016 Actuarial Valuation also includes a reduction to the Plan's long term investment return assumption from 8.2% to 8.1%.

The 2016 Actuarial Valuation Report indicates that the Plan was 66.89% funded as of October 1, 2016, with an actuarial value of assets of \$352,075,915 and an actuarial accrued liability of \$526,326,537. The 2016 Actuarial Valuation Report determines that the employer contribution rate for the General Employees' Retirement Plan for Fiscal Year 2018 should be 18.41% of projected payroll, up from 17.45% for fiscal year 2017.

The fiscal year 2018 employer contribution rate of 18.41% calculated in the 2016 Actuarial Valuation Report is estimated to be approximately \$16,777,348 based on expected covered payroll. The projected fiscal year 2018 employer contributions for the General Employees' Pension Plan are included in the City's Fiscal Year 2018 Budget.

The Board of Trustees for the City of Gainesville General Employees' Retirement Plan: 1) accept the 2016 Actuarial Valuation Report for the City of Gainesville General Employees' Retirement Plan; and 2) approve the Fiscal Year 2018 employer contribution rate of 18.41% for the General Employees' Retirement Plan submitted in the 2016 Actuarial Valuation Report.